

WATERFRONTToronto

Finance, Audit & Risk Management Committee Meeting

Agenda and Meeting Book

THURSDAY, NOVEMBER 23, 2023 FROM 9:00 AM TO 11:30 AM

MICROSOFT TEAMS MEETING



Meeting Book - Finance, Audit & Risk Management Committee Meeting

Agenda - Thursday, November 23, 2023

Public Session Agenda

9:00 a.m.	1. Land Acknowledgement	Information	K. Sullivan
9:05 a.m.	2. Motion to Approve Meeting Agenda	Approval	K. Sullivan
9:05 a.m.	3. Declaration of Conflicts of Interest	Declaration	K. Sullivan
9:10 a.m.	4. Consent Agenda		
	a) Highlights of Key Messages - 5	Information	All
	b) Draft Minutes of the Open Session September 21, 2023 FARM meeting - 7	Approval	All
	c) Q2 2023/24 Macro Dashboard (Corporate & Project Reporting):	Information	L. Taylor
	Coversheet - 12		
	Macro Dashboard - 13		
	i. Finance & Administration Dashboards:		
	a) 2023/24 Corporate Plan Performance - 14	Information	L. Taylor
	b) Enterprise Risk Management (ERM) Dashboard - 16	Information	L. Taylor / M. Santos
	c) Audit Dashboard - 17	Information	L. Taylor / M. Santos
	d) Liquidity and Cash Flow Forecast - 19	Information	L. Taylor
	e) Q2 Interim Financial Statements September 30, 2023	Information	S. Chandane
	Coversheet - 20		
	FS and Notes September 30, 2023 - 21		
	ii. Capital Projects:		
	a) Port Lands Program Summary Dashboard	Information	J. Gombos
	Executive Summary - 35		
	PLFP Program Summary Dashboard - 36		
	b) Port Lands Flood Protection (PLFP) Dashboard	Information	J. Gombos
	Executive Summary - 40		
	PLFP Dashboard - 41		
	c) Port Lands Parks Finishes Dashboard	Information	J. Gombos

	Executive Summary - 50		
	Parks Finishes Dashboard - 51		
	d) Lake Shore Boulevard East (LSBE) Dashboard	Information	J. Gombos
	Executive Summary - 54		
	LSBE Bridge & Public Realm Dashboard - 55		
	d) Quarterly Procurement Report - 58	Information	M. Boboc
	e) Regulatory and Operational Compliance Report - 60	Information	J. Gombos/ I. Ness/ L. Taylor
	f) Environmental, Social, and Governance (ESG) Update - 64	Information	L. Taylor
9:35 a.m.	5. Port Lands Flood Protection (PLFP) Update		
	a) PLFP Program Update	Information	J. Gombos
	Presentation - 66		
	b) Q3/2023 Construction Cost Forecast and Risk Update and Quantification	Information	J. Gombos
	Coversheet - 88		
	Presentation - 89		
	c) Report of the Independent Capital Monitor	Information	BTY Consulting Group Inc.
	Coversheet - 110		
	CPMAS Quarterly Report #21 - 111		
9:55 a.m.	6. Capital Approvals		
	a) WELRT 60% Design	Approval	P. Mallozzi / P. Meredith-Karam
	Coversheet - 134		
	Presentation - 135		
	b) Bayside Phase 2 including Water's Edge Promenade	Approval	J. Gombos/ N. Tolkunow
	Coversheet - 157		
	Presentation - 158		
	c) Quayside Infrastructure and Public Realm 100% Design	Approval	P. Mallozzi
	Coversheet - 183		
	Presentation - 184		
	d) Broadview Eastern Flood Protection 100% Design	Approval	J. Gombos/ D. Forbes
	Coversheet - 203		
	Presentation - 204		
10:25 a.m.	7. Internal Audit Update	Information	V. Bila, MNP LLP
	Coversheet - 222		
	Appendix 1 MNP - WT Internal Audit Plan Status Update - 223		
	Appendix 2 WT Planning Memo - Accessibility Audit - 227		
10:35 a.m.	8. Motion to go into Closed Session	Approval	All

Closed Session Agenda

The Committee will discuss items 9, 10, 11 and 12 being consideration of the draft minutes of the Closed Session of the September 21, 2023 FARM meeting, Annual Business Plan 2024/25, Fundraising Strategy Update,

Cyber Security Internal Audit Report, and Business Case & Tri-Government Engagement, respectively, in a Closed Session as permitted by By-Law No.2 of the Corporation. The exception relied upon for the discussion for item 9 is provided in the minutes of the Open Session September 21, 2023 FARM Committee meeting under item 4(b) of this agenda, for item 10 is Section 6.1.1(k), for item 11 is Section 6.1.1(k), for item 12 is Section 6.1.1(a), and for item 13 is Section 6.1.1(k) of By-Law No. 2. The Committee will continue in Open Session at the end of the Closed Session to vote on any resolutions pertaining to the Closed Session.

Closed Session - 237

11:15 a.m.	14. Motion to go into Open Session	Approval	All
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Open Session - 238

Public Session Agenda

11:15 a.m.	15. Resolution(s) Arising from the Closed Session	Approval	All
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Form - 239

11:20 a.m.	16. Motion to Terminate the Meeting	Approval	All
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11:20 a.m.	17. Directors Only Discussion, if any	Information	K. Sullivan
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FYI	Next Meeting: Thursday, February 22, 2024	Information	All
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Upcoming Board & Committee Meeting Schedule - 240



Finance, Audit and Risk Management Committee – November 23, 2023
Item 4 (a) Meeting Materials - Highlights of Key Messages

Agenda Item	Key Message
4c) Macro Dashboard (FI)	Macro dashboard provides the Q2 2023/24 status summary of three core areas of FARM Committee mandate, namely Corporate Plan Performance, Finance and Administration (including enterprise risk, audit and liquidity) and capital projects, all of which are supported by individual dashboards under Items 4 c) i-ii.
4 c i a) 2023/24 Corporate Plan Performance (FI)	As of this report WT is on track to achieve the following for fiscal 2023/24: <ul style="list-style-type: none"> • 70% of annual capital investment plan (\$311M of \$442M) • 80% of annual revenues (\$316M of \$395M) • 70% of key deliverables (21 out of 30) • 95% of performance measure KPI targets (18 out of 19)
4 c i b) Enterprise Risk Management (ERM) (FI)	One high residual risk this quarter (Project Delivery: Non-Port Lands projects) due to certain project funding gaps arising from unprecedented escalation. Residual risk for Financial Sustainability reduced due to progress on formal business case to governments for next phase of waterfront revitalization. Inherent risk for Recruitment & Retention of Employees elevated to high due to increase in employee turnover stemming from Corporation's mandate uncertainty. The remaining enterprise risk portfolio is stable with other top risk areas under management being climate, cyber security, PLFP project delivery, government, and reputational risk.
4 c i c) Audit Environment (FI)	Cyber Security audit completed (refer item 12) and Accessibility audit underway (refer item 7) by WT's internal auditor, MNP LLP this quarter. Ontario Auditor General (OAG) follow up audit regarding WT's two (of 22) remaining action items completed with report to be issued Dec 2023 (WT has now fully implemented 100% of OAGs value for money audit recommendations).
4 c i d) Liquidity / Cash Flow Forecast (FI)	Positive cash and short-term investment balance > \$50M with no requirement to drawdown line of credit forecast until mid-2025. \$90 million line of credit in place.
4 c i e) Sept 30, 2023 Unaudited Financial Statements (FI)	The financial activities for the six months ended September 30, 2023 are relatively consistent with investment (\$133.7M compared to \$162.6M) and revenue levels (\$116.7M compared to \$110.3M) for the same period last year, largely due to the Port Lands Flood Protection (PLFP) project. Interest income increased \$2.3M compared to the same period last year due to higher interest rates.
4 c ii) Capital Projects (FI)	All projects are proceeding in accordance with the Board Approved Rolling Five Year Strategic Plan (2023/24– 2027/28). The PLFP and Lakeshore Bridge East projects are progressing in accordance with the updated budgets and schedules.
4d) Quarterly Procurement Report (FI)	Two exceptions to the Procurement Policy for non-competitive procurements over \$25,000 largely related to the unique expertise required or being the only provider of required services. No contracts over \$5 million were issued this quarter.
4e) Regulatory Compliance Obligations (FI)	All required actions by the Corporation for regulatory compliance obligations have been performed as of September 30, 2023.
4f) ESG Update (FI)	Quarterly report on Environmental, Social & Governance (ESG) and Waterfront Toronto's current initiatives in these areas, including WT's Climate Action Plan.
5a) PLFP Update (FI)	Visual Progress Report from Chief Project Officer regarding the PLFP project.
5b) PLFP Construction Cost Forecast & Risk Update (FI)	Interim Report from management regarding cost and risk for the PLFP project. The forecast probability of delivering on budget (EAC of \$1.354B) is approximately 95%. The schedule is unchanged with substantial completed forecast Dec 2024.

Finance, Audit and Risk Management Committee – November 23, 2023
Item 4 (a) Meeting Materials - Highlights of Key Messages

5c) PLFP Independent Capital Monitor Report (FI)	Report #21 of the Independent Capital Monitor (BTY) notes: 1) the overall PFLPEI project Estimate at Completion is forecasted to be within the approved budget of \$1.354Bn which includes the secured \$169 million additional funding; 2) substantial completion and project completion are forecast December 31, 2024, and June 30, 2025, respectively; and 3) there has been no change to project scope. Project Dashboard for the month of September indicates a 'green' risk level.
6a) Capital Approval for Waterfront Transit (For Approval)	Management is seeking capital approval totaling approximately \$34.2 million for Waterfront East LRT 60% design. This is to be funded 100% by City of Toronto.
6b) Capital Approval for Bayside Waters Edge Promenade (For Approval)	Management is seeking capital approval totaling approximately \$11.6 million for Bayside Waters Edge Promenade, as required for the Bayside (Aqualuna) development agreement. This is funded partially by City of Toronto and partially by WT land revenues.
6c) Capital Approval for Quayside Design (For Approval)	Management is seeking capital approval totaling approximately \$20.9 million for 100% design of Quayside municipal infrastructure and public realm, funded primarily from City of Toronto funding.
6d) Capital Approval for Broadview Eastern Flood Protection Design (For Approval)	Management is seeking capital approval for an additional \$8.715 million (totaling \$16.3 million) to further advance design to the Issue For Tender (IFT) stage for the Broadview Eastern Flood Protection, and to award the contract for Old Eastern Avenue Bridge Demolition, subject to approvals and funding by the City of Toronto.
7) Internal Audit Plan Update (FI)	MNP LLP will provide an update on the status of the Corporation's Internal Audit Plan, including the scope of work for the Accessibility audit.
10) Annual Business Plan 2024/25 (For Approval)	Management will present the Annual Budget for fiscal year 2024/25, including investment and funding plan, KPIs, and key deliverables.
11) Fundraising Strategy Update (FI)	Management will provide an update regarding the progress of the Corporation's Fundraising strategy which is focused on the Destination Playground.
12) Cybersecurity Audit Report (FI)	WTs internal auditor, MNP LLP will present their findings and report regarding the cyber security audit.
13) Business Case and Tri-Government Engagement (FI)	Management will provide an update to directors on the next phase of waterfront revitalization.

**MINUTES of the Open Session of the
Finance Audit and Risk Management Committee Meeting of the
Toronto Waterfront Revitalization Corporation
Via Microsoft Teams Teleconference
Monday, September 21, 2023 at 9:00 a.m.**

PRESENT: Jeanhy Shim (Acting Chair)
Drew Fagan
Laurie Payne
Kevin Sullivan

REGRETS: None

ATTENDANCE: WATERFRONT TORONTO
George Zegarac (Chief Executive Officer)
Ian Ness (General Counsel)
David Kusturin (Chief Project Officer)
Lisa Taylor (Chief Financial Officer)
Meg Davis (Chief Development Officer)
Chris Glaisek (Chief Planning & Design Officer)
Kevin Greene (Chief Operating Officer)
Julius Gombos (SVP, Project Delivery)
Pina Mallozzi (SVP, Design)
Kristina Verner (SVP, Strategic Policy & Innovation)
Cameron MacKay (VP, Communications & Public Engagement)
Rose Desrochers (VP, Human Resources and Administration)
John McKee (Project Mgr, PLFP & LSBE Program Management Team)
Marciana Boboc (Director Procurement)
Ed Chalupka (Director Government Relations)
Sampada Chandane (Director Financial Management)
Alma Pjetra Director (Program & Cost Management)
Mary Anne Santos (Director Financial Planning)
Mira Shenker (Director, Communication & Public Engagement)
Dave VanAuken (Acting Director, Information Technology)
Giovanna Salinas (Systems Administrator)
Parmit Chhasiya (Program Reporting Analyst)
Charmaine Miller (Executive Assistant to the CEO & Board Admin)

Also, in attendance for part or all of the meeting were:

- Leslie Woo, Director, Waterfront Toronto Board
- Vania Emerson, Jasmine Haghighi, Reena Gumaste, Infrastructure Canada
- Cory MacDonald, Jonathon Vita, Bill Raymond, Katrina Severn, Ontario Ministry of Infrastructure
- Jay Paleja, Project Manager, Waterfront Secretariat, City of Toronto
- Louis Castillo, BTY Consulting

- Veronica Bila, MNP LLP
- Isaque Oliviera, iSecurity

Ian Ness acted as secretary of the meeting. Jeanhy Shim welcomed everyone to the meeting of the Finance Audit and Risk Management (FARM) Committee (the “Committee”) of the Toronto Waterfront Revitalization Corporation (“Waterfront Toronto” or the “Corporation”). Ms. Shim acted as Chair of the meeting with the approval of all Committee members, while Committee Chair, Kevin Sullivan, was in transit. Mr. Sullivan joined the meeting at 10:36am.

With notice of the meeting having been sent to all members of the Committee in accordance with the Corporation’s By-laws and a quorum being present, the Acting Chair called the meeting to order at 9:00 a.m. and declared the meeting was duly constituted for the transaction of business.

1. Land Acknowledgement

Jeanhy Shim acknowledged Indigenous Peoples’ presence and connections to lands under revitalization by Waterfront Toronto.

2. Meeting Agenda

ON MOTION duly made by Laurie Payne, seconded by Drew Fagan, and carried, it was **RESOLVED** that the Meeting Agenda be approved as presented.

3. Declaration of Conflicts of Interest

There were no conflicts declared.

4. Consent Agenda:

a) **Highlights of the Key Messages were taken as read.**

b) **Draft Minutes of Open Session May 29, 2023 FARM Committee Meeting**

ON MOTION duly made by Laurie Payne, seconded by Drew Fagan, and carried, it was **RESOLVED** that the Minutes of the May 29, 2023 FARM Committee meeting be approved as presented.

The FARM Committee took most of the consent agenda items as read (namely dashboards related to audit, liquidity, capital project, procurement, regulatory compliance, and environmental social governance, together with the June 30, 2023 interim financial statements), and sought highlights and clarifications from management in certain areas. For the macro and enterprise risk dashboards it was noted that two risk areas remain assessed as high this quarter, namely financial self-sustainability risk (which management is working on resolving with the Corporation’s government funding partners), as well as Project Delivery – Non-Port Lands projects (due to the impact of

unprecedented escalation on upcoming projects, such as Quayside infrastructure and public realm, and discussed further in the agenda).

5. Port Lands Flood Protection (PLFP) Update

a) PLFP Project Update

Waterfront Toronto's Chief Project Officer provided a visual progress report for the PLFP project.

b) Port Lands Interim EAC and Risk Quantification

Management presented the Q2 2022/23 Construction Cost Forecast & Risk Update and Quantification for the PLFP project to the Committee.

The semi-annual update (note: this report is slightly earlier at the request of the Provincial government), which is a key part of the Corporation's project risk management framework, involves the reassessment of construction risk to ensure that the likelihood of achieving the program budget remains high as risks are realized and retired throughout the life of the project.

The latest results indicate a 95% (up from 94% in May 2023) probability of completion within the revised budget of \$1.354 billion (increase of \$169 million from original \$1.185 billion budget).

The forecast remaining contingency at the end of the project is \$35.6 million (down from \$42 million reported at the May 29, 2023 FARM Committee meeting).

The project schedule remains on track for substantial completion in December 2024, with some seasonally dependent work (planting and asphalt paths) for Promontory Park South to be completed in spring 2025.

c) Report of the Independent Capital Monitor

BTY Consulting LLP (BTY) presented their **20th report** as Independent Capital Monitor for the PLFP project and noted that:

- The budget has been revised from \$1.185 billion to \$1.354 billion comprising:
 - a) Port Lands Flood Protection: \$1,272.9M, and
 - b) Parks Finishes: \$81.1M
- The remaining contingency of \$41.7 million (at time of BTY review) (3.17% of the total project budget) is a moderate amount to be closely monitored to ensure it will suffice to offset additional costs to the end of the project

- A revised schedule baseline was issued by EllisDon in June 2023 indicating substantial completion and project completion dates remain as December 31, 2024 and June 30, 2025, respectively
- No material scope changes have been made to the project this quarter
- The risk management process implemented by WT is robust and in line with industry best practices.

6. Internal Audit Update

Veronica Bila, Assurance Partner MNP LLP provided an update on the status of the Corporation's internal audit plan, highlighting that the cybersecurity audit is currently underway with results to be reported to the FARM Committee at their next meeting in November 2023.

7. Delegations of Authority

Management proposed a revision to the Corporation's Delegations of Authority document for some minor amendments, namely, to add the Chief Operating Officer role to the approval authorities, to incorporate recent internal audit recommendations and to align the delegations with the Corporation's procurement policy.

The Committee supported the revisions and recommended Board approval at the Board meeting on October 12, 2023.

ON MOTION duly made by Laurie Payne, seconded by Drew Fagan, and carried be it **RESOLVED** that the FARM Committee recommends approval of the updated Delegations of Authority by the Board of Directors.

8. Motion to go into Closed Session

In accordance with By-Law No. 2 of the Corporation and **ON MOTION** duly made by Laurie Payne, seconded by Drew Fagan and carried, the Committee **RESOLVED** to go into Closed Session to discuss items 9 (a) & (b), 10, 11 and 12 of the agenda. The exception relied upon for the discussion for item 9 is provided in the minutes of the Open Session May 29, 2023 FARM Committee meeting under item 4(b) of this agenda, for item 9(b) is Section 6.1.1(i), for item 10 is Section 6.1.1(k), for item 11 is Section 6.1.1(k) & for item 12 is Section 6.1.1(a) of By-Law No. 2. The Committee will continue in Open Session at the end of the Closed Session to vote on any resolutions pertaining to the Closed Session. The meeting continued in closed session.

9. Consent Agenda

a) **Draft Minutes of the Closed Session – May 29, 2023 FARM Committee Meeting**

b) **INFC PLFP Contribution Agreement Compliance Audit Report**

10. Quayside Public Realm and Infrastructure Project Update & Amendment to Capital Approval for Queens Quay East Extension Lakefill

11. Fundraising Strategy Update

12. Third-party Cybersecurity Review Update

13. Motion to go into Open Session

ON MOTION duly made by Drew Fagan, seconded by Laurie Payne and carried, the committee **RESOLVED** to go into Open Session.

The meeting continued in Open Session.

14. Resolution(s) Arising from the Closed Session

Item 9(a) Draft Minutes of the Closed Session – May 29, 2023 FARM Committee Meeting

ON MOTION duly made by Laurie Payne and seconded by Drew Fagan and carried, it was **RESOLVED** that the Minutes of the Closed Session of the Finance, Audit and Risk Management Committee held on May 29, 2023 be approved as tabled.

Item 10 Quayside Public Realm and Infrastructure Project Update & Amendment to Capital Approval for Queens Quay East Extension Lakefill

ON MOTION duly made by Laurie Payne and seconded by Kevin Sullivan and carried, be it **RESOLVED** that the FARM Committee recommend that the Board of Directors approve the Capital expenditure of \$34.4M to complete the Queens Quay East Extension Lakefill Design and Construction., ~~conditional upon execution of a funding agreement with the City of Toronto;~~

15. Termination of the Meeting

There being no further business, **ON MOTION** duly made by Laurie Payne, seconded by Drew Fagan and carried, it was **RESOLVED** that the meeting be terminated at 10:58 a.m. local time.

16. Directors Only Discussion

Committee Chair

Secretary

Purpose	For Committee Information.
Areas of note/ Key issues	<p>The following three areas are reported on in the attached Macro dashboard which is supported by several attached streamlined reports:</p> <ol style="list-style-type: none"> 1. <u>2023/24 Corporate Plan Performance</u> (all key areas are green, no concerns noted.) 2. <u>Finance & Administration</u>: <ul style="list-style-type: none"> ○ <i>Enterprise Risk Management</i>: caution due to one high residual risk in WT's risk portfolio: Project Delivery: Non-Port Lands projects due to escalation resulting in increased budget and funding risk. ○ <i>Internal audit</i> (no concerns; Cyber Security audit completed and Accessibility audit underway). ○ <i>Liquidity/ Cash Flow Management</i> (no concerns) ○ <i>Financial reporting compliance</i> (no concerns, in line with plan) 3. <u>Capital Projects</u> (caution due to budget and funding risks for <i>Quayside Infrastructure and Public Realm</i> and Bayside Phase 2 Water's Edge Promenade projects. No other concerns noted.)
Resolution or Next Steps	The next macro level dashboard will be provided at the next FARM Committee meeting in February 2024.

2023/24 Corporate Plan Performance



As of Q2 2023/24, on track to achieve the following for 2023/24 (note all **green** consistent with Q1):

- 70% (Q1: 70%) of annual capital investment plan (\$311M of \$442M)
- 80% (Q1: 85%) of annual revenues (\$316M of \$395M)
- 70% (Q1: 73%) of key deliverables (21 out of 30)
- 95% (Q1: 95%) of performance measure KPI targets (18 out of 19)

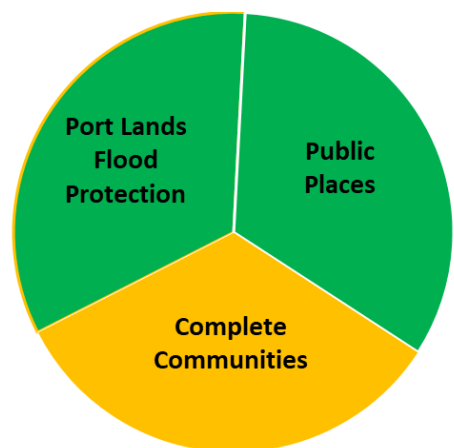
No caution or concern areas noted at this time.

Finance & Administration



- Positive cash & ST investment balance > \$50M with \$90M line of credit facility in place and available.
- ERM: **Caution** due to one high residual risk in risk portfolio (Project Delivery: Non-Port Lands projects). Prior high residual risk for Financial Sustainability now reduced to medium due to formal business case requested by governments for next phase of waterfront revitalization.
- Internal Audit: No concerns. Cyber Security audit completed, refer Item 12 on summary of audit results. Accessibility audit underway, refer Item 7.
- Government Audit: No concerns. 100% implementation of remaining two action items from the 2018 Ontario Auditor General value for money audit.

Capital Projects



- Currently tracking to deliver all projects in the capital portfolio in accordance with contractual budget/schedule obligations, except **caution** for the *Quayside Infrastructure and Public Realm* and *Bayside Phase 2 Water's Edge Promenade* projects (under Complete Communities) due to budget and funding risk arising from unprecedented escalation. Management is currently working through solutions to resolve (refer further details under Capital Approvals).
- Port Lands Flood Protection project remains on track re: revised budget (\$1.354B) and schedule for substantial completion in Dec 2024 and June 2025, pursuant to Board approval in June 2023.

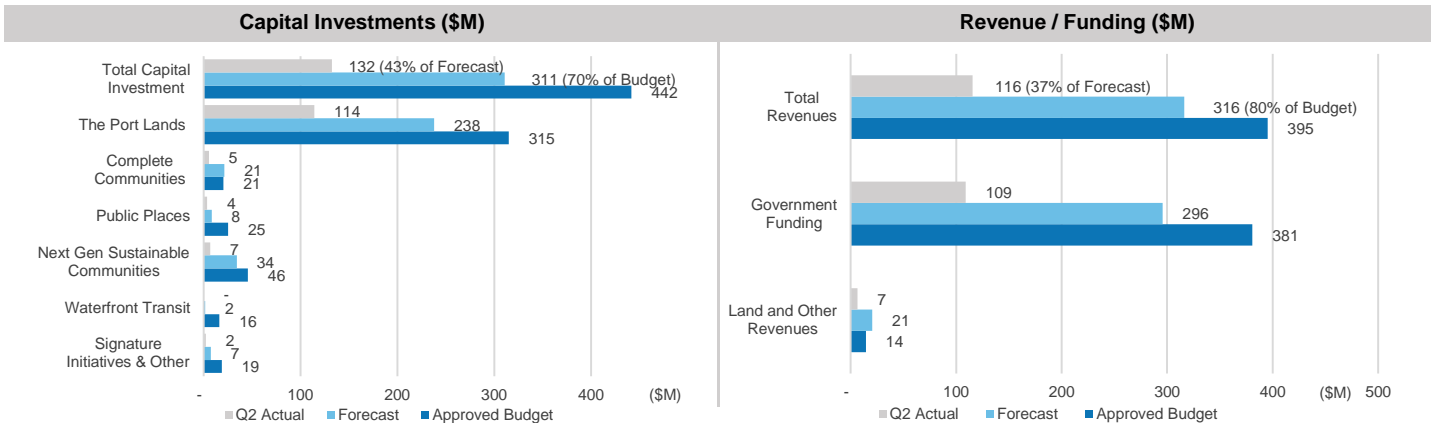
Legend: ● No concerns: greater than or equal to 70% of plan ● Caution: some areas of plan may not be met (between 50% and 69% of plan) ● Concern: some aspects (<50%) of plan will not be met.

Corporate Plan Performance Dashboard as of September 30, 2023 (Q2 2023/24)

Issued as of: November 23, 2023

Overall 2023/24 Corporate Plan Status: ● Capital Investment Plan ● Revenues ● Key Deliverables ● KPIs/ Targets

● No material concerns, in line with plan; forecast performance greater than or equal to 70% of plan; ● Caution - some areas of plan may not be met; forecast performance between 50% - 69% of plan; ● Concern - some areas of plan will not be met; forecast performance less than 50% of plan



Overall 2023/24 investment is forecast at \$311M (\$325M at Q1), \$131M (30%) lower than Plan mainly due to:

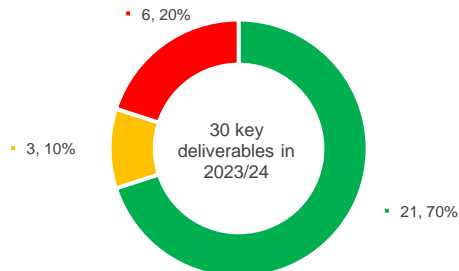
- Decrease in overall Port Lands Flood Protection expenditures due to construction re-sequencing, pushing some planned activities and expenditures to FY 2024/25 (refer page 2 re: deferred deliverables);
- Decrease in Public Places expenditures due to a delay in design and construction of Rees Street Park;
- Lower than anticipated Waterfront Transit expenditures due to delay in funding approval for the next stage of design (i.e. 60%), work is now anticipated for 2024/25.

Overall 2023/24 revenues are anticipated to be \$316M (\$334M at Q1), \$79M (20%) lower than Plan mainly due to deferral of some City and Federal funding for the Port Lands Flood Protection project. Deferral of City funding is to align with expenditures and overall working capital levels, while deferral of Federal funding is due to a 10% funding holdback clause per the contribution agreement (deferring funding from 2023/24 to 2024/25 and 2025/26).

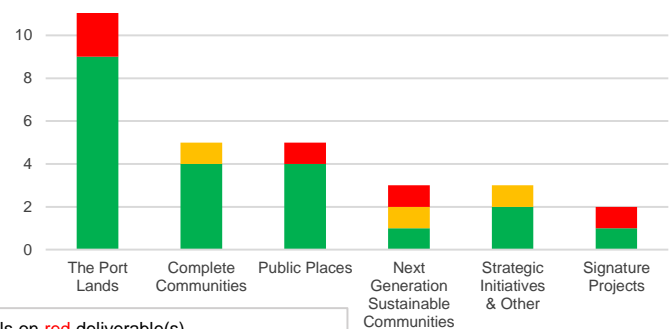
2023/24 Key Deliverables

● Achieved/ forecasted to be achieved by March 31, 2024; ● May not be achieved by March 31, 2024; ● Will not be achieved by March 31, 2024

Overall Status of Key Deliverables:

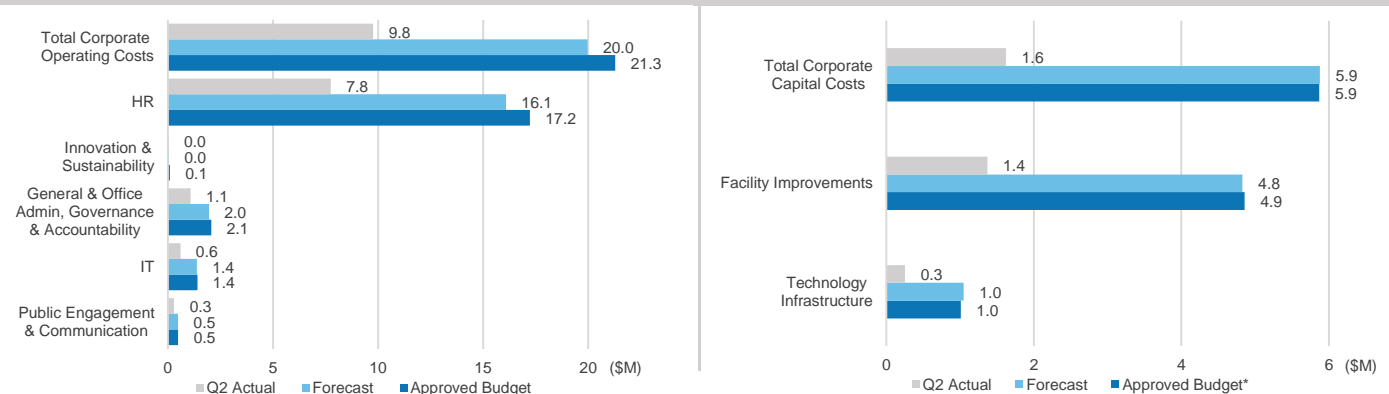


Key Deliverables by Priority Initiative:



See Appendix A for details on red deliverable(s)

2023/24 Corporate Operating and Capital Costs (excl. Amortization) \$M

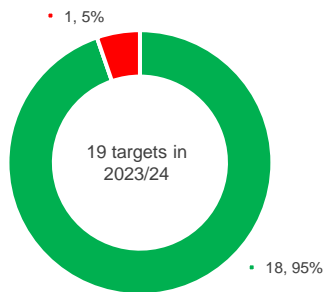


Corporate operating costs are forecast to be lower than approved budget by approx. \$1.3M. The major contributor to the anticipated savings is Human Resources due to delays in hiring or not hiring for certain budgeted positions. Corporate capital investments are forecast to be consistent with the approved budget (adjusted in September 2023 as per IREC Committee reporting) as increased costs associated with office lease agreement requirements and fit-out in a timber building are offset by the contingency budget and savings from value engineering.

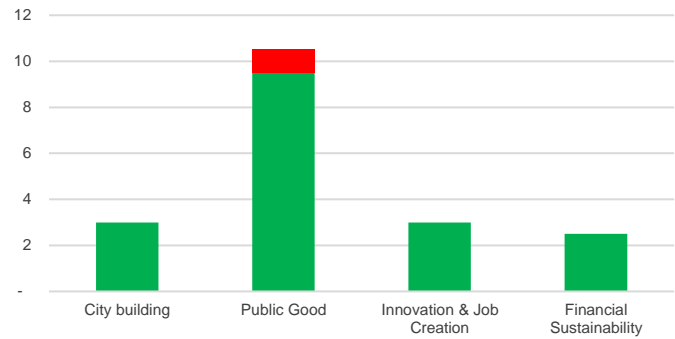
2023/24 Key Performance Indicators (KPIs)/ Targets

● No material concerns, in line with plan; ● Caution - some areas of plan may not be met; ● Concern - some areas of plan will not be met

Overall Status of KPIs:



KPIs by Strategic Priority:



Out of 19 KPIs with targets this year, 18 (95%) are on track to achieve their targets. One KPI (5%) is anticipated to not be met this year:

- Project completion time compared to original schedule (<= 6 months): Completion of Love Park and the In-Water Pipes projects were delayed by over six months compared to the original schedules, mainly due to supply chain challenges and productivity losses from weather conditions. Love Park was substantially complete in June 2023 and the In-Water Pipes project was substantially complete in October 2023.

Appendix A

Details of Deferred Deliverables for 2023/24:

Reason	Priority	Deferred Deliverable	Comments
External Influence	Port Lands	Complete demolition of existing Cherry Street Bridge. (Q2 NEW)	Delayed due to a deferral in the opening of new Cherry Street. Demolition of the existing Cherry Street bridge is scheduled to commence in December 2023 and complete by July 2024.
		Commence operation of stormwater treatment facility. (Q2 NEW)	Operation of the Interim Stormwater Treatment Facility has been pushed due to delays in the completion of electrical and mechanical works. Commissioning is now scheduled for July 2024.
		Commence operation of Interim Sanitary Pumping Station. (Q2 NEW)	Operation of the Interim Sanitary Treatment Facility has been pushed due to delays in the completion of electrical and mechanical works. Commissioning is now scheduled for August 2024.
	Public Places	Complete design and commence construction of Rees Street Park. (Q2 NEW)	Delayed due to additional design iterations to respond to feedback received from the Waterfront Design Review Panel.
Budget Mitigation	Next Generation Sustainable Communities	Complete 60% design for Parliament Slip activation.	This project has been placed on hold due to the redirection of capital funding. Schematic Design (30%) is scheduled to be completed by December 2023.
	Signature Projects	Complete 60% detailed design for Destination Playground. (Q2 NEW)	30% Design was completed in July 2023. 60% Design is on hold pending outcomes of fundraising planning/research.

Enterprise Risk Management Dashboard– Q2 2023/24



- One **red** (high) residual risk this quarter (down one from last quarter) related to **Project Delivery: Non-Port Lands Projects** (includes Quayside municipal infrastructure & public realm, and Bayside Phase 2 Water's Edge Promenade projects) – due to unprecedented levels of escalation and project funding gaps.
- Inherent risk for **Recruitment & Retention of Employees** elevated to **red**/high due to increase in employee turnover rate stemming largely from uncertainty regarding the Corporation's mandate.
- Inherent risk for **Port Lands Project Delivery** reduced to yellow as budget re-baselined for additional funding.
- Residual risk for **Financial Sustainability** reduced to yellow/medium due to development of formal business case requested by governments for next phase of waterfront revitalization
- Mitigation strategies to address WT's top risk areas (and all 20 identified risks) are outlined in the attached confidential Enterprise Risk Register and Heat Map (Appendices 1 & 2).

Impact	Likelihood	Total Risk Score (Impact x Likelihood)	
1 - Immaterial	1 - Extremely remote chance of occurring (<10%)		
2 - Low	2 - Remote chance of occurring (10%-19%)		
3 - Medium	3 - Possible (20%-49%)		
4 - Critical	4 - Likely to happen (50%-99%)		
5 - Catastrophic	5 - Will occur (100%)		

	Low (1 - 6)
	Medium (>6 - 14.9)
	High (15 - 25)

		Q2 2023/24 (Current)		Q1 2023/24 (Previous)	
Top Risk Areas		Inherent Risk Score	Residual Risk Score	Inherent Risk Score	Residual Risk Score
1.	Project Delivery: Non-Port Lands Projects	15	15	15	15
2.	Financial Self-Sustainability	16	12	16	16
3.	Recruitment & Retention of Employees	16	12	12	9
4.	Enterprise Resource Planning System Risk	16	12	16	12
5.	Climate Risk	16	12	16	12
6.	Cyber Security	16	12	16	12
7.	Port Lands Project Delivery	12	12	20	12

Overall Audit Dashboard – Q2 2023/24

Audit	2022/23 (Previous Year)	2023/24 (Current Year)	2024/25 (Next Year)
Internal Audits – Refer Item 6	ERP System Implementation Lessons Learned Review (<i>Completed Q3</i>)	Cyber Security Audit (<i>Completed Oct. 2023</i>)	Robotic Process Automation (deferred from FY 22/23, timing TBD)
	Procurement Workflow (<i>Completed Q1 23/24</i>)	Accessibility (<i>Underway</i>)	
	Independent Capital Monitor (Port Lands), <i>Quarterly</i>	Independent Capital Monitor (Port Lands), <i>Quarterly</i>	Independent Capital Monitor (Port Lands), <i>Quarterly</i>
External Audits	March 31 2023 Financial Statements (<i>Completed</i>)	March 31 2024 Financial Statements	March 31 2025 Financial Statements
Government Audits	PLFP Contribution Agreement Compliance - (<i>Completed Q3 – report issued Aug/23</i>)		<i>To be confirmed - PLFP Outcomes and/or Reconciliation/ Financial audit</i>
	Federal TWRI Program Evaluation (<i>Completed Q1 – no recommendations</i>)		
	OAGO Value-for-Money and Standing Committee on Public Accounts Follow-Up Audits (<i>Completed Q3</i>)	OAGO Value-for-Money Follow-Up (<i>Completed – report anticipated Dec, 2023</i>) <i>100% implementation (refer to attached)</i>	
Total	7 audits	5 audits	4 audits

Waterfront Toronto has been subject to a total of 85 audits since inception (2002) to Sept 30, 2023 (34 internal; 21 external and 30 government), average of 4 p.a.

Recent updates in [blue](#).

Appendix: Recommendation Status of 2018 OAGO Value for Money Follow-Up Audit

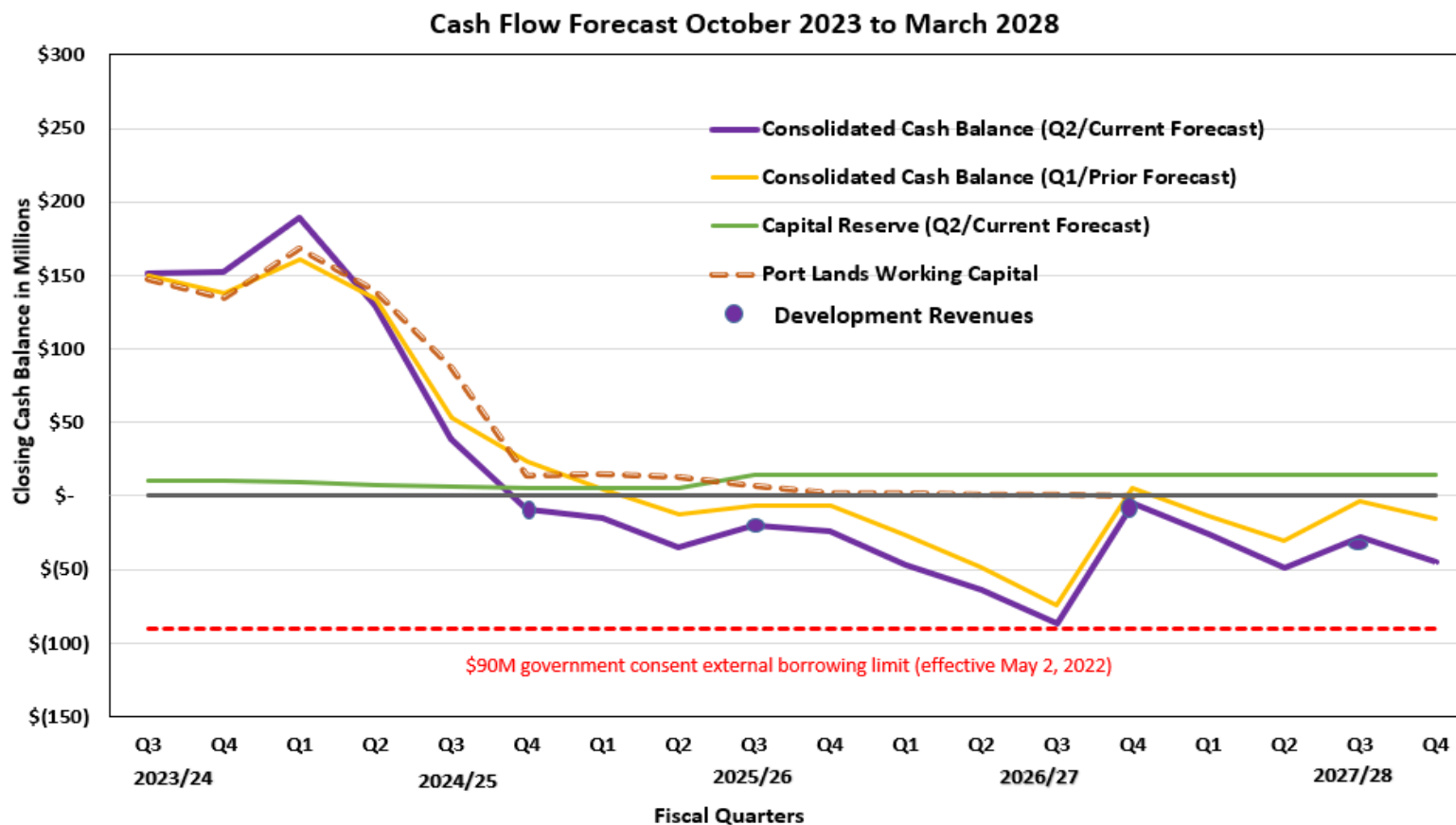


The following six recommendations (containing 22 action items) were directed towards Waterfront Toronto, all of which have now been fully implemented effective March 2023, i.e. **100% implementation rate**.

Rec. #	Recommendation Area	# of Actions Recommended	Fully Implemented	Being Implemented	WT Notes
2	Project budget, schedule and scope management	3	3	-	Fully implemented effective Dec 2020
3	Project information systems, procedures and reporting	7	7	-	Fully implemented effective Dec 2020
4	Oversight of organizations receiving funding from WT	7	7	-	Fully implemented effective Dec 2020
5	Development and implementation of a financial sustainability plan	1	1*	-	Fully implemented effective March 2023. WT developed a fundraising action plan in Dec 2019 and has implemented key elements as of March 2023 including securing a \$25M gift for the Lassonde art trail on Villiers Island.
7	Best practices and lessons learned	1	1	-	Fully implemented effective Dec 2020
9	Port Lands Flood Protection Project budget management	3	3*	-	Fully implemented effective March 2023. WT has reduced the impact of construction risks and the ultimate project cost by at least \$234M in value engineering, cost optimizations and cost avoidance/mitigation undertaken throughout the five-year life of the project to date, as presented to WT Board and IGSC in Dec 2022.
Total		22	22	0	
%		100%	100%	-	

*Subject to confirmation per OAGO follow up audit report to be released December 2023.

Liquidity / Cash Flow Forecast (September 2023)



Line of Credit drawdown is anticipated as early as **March 2025** (vs Q2 2025/26 reported in Sept 2023) and is **forecast for up to 6 years** (until Q2 2030/31, to be repaid from land/other revenues) mainly for accelerated Quayside infrastructure & public realm works (subject to future capital approvals and construction schedules), Bayside Phase 2 infrastructure cost escalation (**new this reporting**), and affordable housing capital contribution. Peak forecast borrowing of up to ~\$87M in Q3 2026/27, average of \$31M. WT is actively working to mitigate (reduce) the above forecast borrowing requirements as budgets and construction schedules are confirmed.



WATERFRONToronto

Finance, Audit and Risk Management Committee – November 23, 2023
Item 4 (c) (i) (e)– September 30, 2023, Interim Financial Statements
Lisa Taylor/ Sampada Chandane

Purpose	<p>Submitted for receipt.</p> <p>The purpose of the unaudited interim financial statements is to provide information about the results of the operations, financial position, and cash flows of the Corporation.</p>
Areas of note/ Key issues	<p>With respect to financial activities for the six months ended September 30, 2023, the Corporation has:</p> <ul style="list-style-type: none"> • Spent approx. \$133.7 million (down 18% from \$162.6 million for same period last year) of which <u>\$120.7 million was capitalized</u> as Assets Under Development, primarily for the Port Lands Flood Protection (\$110.2 million), <u>\$12 million was expensed</u> primarily for Broadview and Eastern Flood Protection project (\$2.4 million), Villiers Island planning (\$1.4 million), Port Lands project (\$3.4 million), Signature projects (\$0.9 million), Legacy Art project (\$0.8 million) and interim property related expenses (\$0.7 million). • Recognized revenues of \$116.7 million (up slightly from \$110.3 million for the same period last year) which is primarily made up of government contributions for Port Lands Flood Protection project including Lakeshore Bridge (\$100.7 million), cost sharing revenues for Port Lands and Lakeshore bridge project (\$2.9 million), Love Park (\$2.8 million), EBF Infrastructure revenue (\$1.9 million), Broadview and Eastern Flood Protection project (\$1 million), and parking and interest revenues (\$5.6 million). • Slightly lower cash and short-term investments balance of \$80.8 million (down from \$119.4 million as of March 31, 2023) due to outstanding receivable of \$70 million from City of Toronto for Port Lands Flood Protection. • Reported a higher net operating income by \$2.7 million as a result of higher interest income due to higher interest rates. <p>Other items of note during the period include:</p> <ul style="list-style-type: none"> • Unrestricted net assets (Note 13) is in a net surplus position of \$64 million (decreased from \$65.7 million as of March 31, 2023) as a result of realization of certain Quayside land sale revenues in March 2023.
Key Takeaways/ Next Steps	<p>The Finance, Audit and Risk Management Committee acknowledges receipt of the unaudited interim financial statements for submission to the Board of Directors on December 7, 2023.</p>

Interim Financial Statements of

Toronto Waterfront Revitalization Corporation
(c.o.b. as Waterfront Toronto)

September 30, 2023

Toronto Waterfront Revitalization Corporation

September 30, 2023

Interim Financial Statements

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Toronto Waterfront Revitalization Corporation

Statement of financial position

as at September 30, 2023

	September 30, 2023	March 31, 2023
	\$	\$
Assets		
Current assets		
Cash	30,812,030	39,393,345
Short-term investments (Note 4)	50,000,000	80,000,000
Receivables (Note 3)	95,344,723	81,229,725
Deposits and prepaid expenses and other assets (Note 5)	4,910,031	4,965,705
	181,066,784	205,588,775
Restricted cash (Note 6)	69,240,029	62,666,290
Assets under development (Note 7)	1,492,438,490	1,371,767,037
Capital assets (Note 8)	67,580,432	66,450,028
Term receivables (Note 20)	41,700,210	41,700,210
	1,852,025,945	1,748,172,340
Liabilities and net assets		
Current liabilities		
Accounts payable and accrued liabilities (Note 10)	107,074,860	107,188,187
Deferred contributions (Note 11)	120,131,073	135,210,520
Other liabilities and settlements (Note 12)	923,144	924,180
	228,129,077	243,322,887
Other liabilities and settlements (Note 12)	214,687	207,273
Environmental and contaminated sites liability (Note 17)	2,218,637	2,218,637
	230,562,401	245,748,797
Net assets (Note 13)	1,621,463,544	1,502,423,543
	1,852,025,945	1,748,172,340

The accompanying notes are an integral part of the financial statements.

Toronto Waterfront Revitalization Corporation

Statement of financial activities

Six months ended September 30, 2023

	Six months ended September 30, 2023	Six months ended September 30, 2022
	\$	\$
Restricted Revenues:		
Government of Canada	16,583,333	81,365,475
City of Toronto	90,896,972	18,529,925
Other restricted contributions	3,481,315	6,222,045
	110,961,620	106,117,445
Less: Government contributions for assets under development	(113,646,747)	(123,603,855)
Decrease in deferred contributions for continuing operations related to future periods	15,079,447	20,108,257
	12,394,320	2,621,847
Expenses (Note 14)		
Complete Communities	4,280,106	4,552,297
The Port Lands	3,370,002	-
Public Places	1,822,225	1,110,129
Strategic Initiatives	1,255,076	919,975
Signature Projects	921,673	777,663
Eastern Waterfront Transit	312,225	1,129,239
	11,961,307	8,489,303
Excess (deficiency) of revenue over expenses before other items	433,013	(5,867,456)
Net other operating income (Note 18)	4,962,941	2,314,518
Excess (deficiency) of revenues over expenses	5,395,954	(3,552,937)

The accompanying notes are an integral part of the financial statements.

Toronto Waterfront Revitalization Corporation

Statement of remeasurement gains and losses

Six months ended September 30, 2023

	Six months ended September 30, 2023	Six months ended September 30, 2022
	\$	\$
Accumulated remeasurement loss, beginning of the year	(73,692)	(194,125)
Unrealized (loss) gain attributable to foreign currency transactions	(2,700)	4,664
Unrealized gain attributable to forward exchange contracts	-	186,459
Net remeasurement (loss) gain for the period	(2,700)	191,123
Accumulated remeasurement loss, end of the period	(76,392)	(3,002)

Statement of changes in net assets

Six months ended September 30, 2023

	Six months ended September 30, 2023	Six months ended September 30, 2022
	\$	\$
Net assets, beginning of the year	1,502,423,543	1,254,062,342
Add: Excess (deficiency) of revenues over expenses	5,395,954	(3,552,937)
Add: Net remeasurement (loss) gain	(2,700)	191,123
Add: Government contributions for assets under development	113,646,747	123,603,855
Less: Transfer of assets to Government (Note 7)	-	(49,508,030)
Less: Transfer of land to Government (Note 7)	-	(940,769)
Net assets, end of the period	1,621,463,544	1,323,855,584

The accompanying notes are an integral part of the financial statements.

Toronto Waterfront Revitalization Corporation

Statement of cash flows

Six months ended September 30, 2023

	Six months ended September 30, 2023	Six months ended September 30, 2022
	\$	\$
Cash flows from operating activities		
Excess (deficiency) of revenues over expenses	5,395,954	(3,552,937)
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities:		
Amortization of capital assets	489,285	617,944
Unrealized (loss) gain attributable to foreign currency transactions	(2,700)	4,664
Unrealized gain attributable to forward exchange contracts	-	186,459
Changes in non-cash working capital balances:		
Net decrease in deferred contributions	(15,079,447)	(20,108,257)
Current assets (Receivables, Deposits and prepaid expenses)	(14,059,323)	37,641,932
Current liabilities (Payables, Other liabilities and settlements)	(106,949)	6,471,928
Net cash (paid for) received from operating activities	(23,363,181)	21,261,733
Cash flows from capital activities		
Cash received from government contribution for assets under development	113,646,747	123,603,855
Cash used to acquire assets under development	(120,671,454)	(133,529,290)
Cash used to acquire capital assets	(1,619,689)	(19,310,872)
Net cash paid for capital activities	(8,644,396)	(29,236,307)
Cash flows from investing activity		
Invested in restricted cash and investments	(6,573,739)	(7,473,333)
Cash received from (invested) in short-term investments	30,000,000	(50,000,000)
Net cash received from (paid) for investment activity	23,426,261	(57,473,333)
Decrease in cash	(8,581,315)	(65,447,907)
Cash, beginning of the period	39,393,345	90,435,454
Cash, end of the period	30,812,030	24,987,547

The accompanying notes are an integral part of the financial statements.

Toronto Waterfront Revitalization Corporation

Notes to the financial statements

September 30, 2023

1. Interim financial statements

The unaudited interim financial statements of the Toronto Waterfront Revitalization Corporation (the "Corporation" or "TWRC") have been prepared by management in accordance with Canadian generally accepted accounting principles applicable to interim financial statements and follow the same accounting policies and methods in their applications as the most recent annual financial statements. All disclosure required for annual financial statements has not been included in these financial statements. These financial statements should therefore be read in conjunction with the March 31, 2023 audited financial statements.

2. Description of Corporation

The Toronto Waterfront Revitalization Corporation was initially incorporated on November 1, 2001 under the Ontario Business Corporations Act with the Province of Ontario being its sole shareholder.

Pursuant to the Toronto Waterfront Revitalization Corporation Act, 2002 (the "Act"), the Corporation was continued as a corporation without share capital on May 15, 2003. The Corporation is deemed not to be a Crown Agency within the meaning of the Crown Agency Act.

Under the Act, the Corporation's objects are to:

- (a) implement a plan that enhances the economic, social and cultural value of the land in the designated waterfront area and create an accessible and active waterfront for living, working and recreation and to do so in a fiscally and environmentally responsible manner;
- (b) ensure that ongoing development in the designated waterfront area can continue in a financially self-sustaining manner;
- (c) promote and encourage involvement of the private sector in the development of the designated waterfront area;
- (d) encourage public input into the development of the designated waterfront area; and
- (e) engage in such other activities as may be prescribed by regulation.

3. Receivables

	September 30, 2023	March 31, 2023
	\$	\$
City of Toronto	85,846,421	9,580,841
HST receivable	5,704,690	8,393,578
Accrued interest and other receivables	3,793,612	4,456,144
Government of Canada	-	33,782,495
Province of Ontario	-	25,016,667
	95,344,723	81,229,725

4. Short-term investments

Short term investments represent an investment of \$50,000,000 (March 31, 2023 - \$80,000,000) in a short term non-redeemable Guaranteed Investment Certificate with a Canadian commercial bank bearing an interest rate of 5.9% per annum maturing in March 2024.

5. Deposits and prepaid expenses

	September 30, 2023	March 31, 2023
	\$	\$
Prepaid expenses	2,728,832	2,784,506
Construction deposits	2,181,199	2,181,199
	4,910,031	4,965,705

The Corporation has provided the City of Toronto (the "City") with certain construction deposits to guarantee satisfactory performance, completion of work, and related obligations required for construction of municipal infrastructure by the Corporation. The construction deposits will be released to Waterfront Toronto at the expiration of certain performance and guarantee periods. The construction deposits paid to the City of \$2,181,199 (March 31, 2023 - \$2,181,199) are non-interest bearing.

Prepaid expenses relate primarily to insurance and IT licenses.

Toronto Waterfront Revitalization Corporation

Notes to the financial statements

September 30, 2023

6. Restricted cash

The Corporation has received deposits subject to restrictions that prevent their use for operating purposes, as outlined below:

	September 30, 2023	March 31, 2023
	\$	\$
Holdbacks payable	57,797,706	51,334,071
Developer contribution - East Bayfront public art	9,519,112	9,459,789
Developer Deposit - East Bayfront child care facility	1,646,456	1,602,982
Other	276,755	269,448
	69,240,029	62,666,290

In addition to the above, \$15,478,000 included under Cash in the statement of financial position has been designated as Capital Reserve to cover program level contingencies and to support continued operations. The account is funded primarily from sale of land and other unrestricted revenue sources. Of the closing balance, an amount of \$5,000,000 has been allocated towards the East Bayfront In-Water Pipe project.

7. Assets under development

The following table details assets under development by category:

	September 30, 2023	March 31, 2023
	\$	\$
Roads, Bridges, Services, Structures	740,711,396	681,295,974
Flood Protection Features	603,685,063	564,314,339
Parks and Public Realm	89,786,946	71,113,527
Land under development	58,255,085	55,043,197
	1,492,438,490	1,371,767,037

The following table details assets under development by Priority Initiatives:

	The Port Lands	Complete Communities	Quayside	Public Places	Total
	\$	\$	\$	\$	\$
Opening balance, April 1, 2023	1,007,052,312	311,023,635	31,822,919	21,868,170	1,371,767,036
Capital additions	107,385,594	2,071,200	3,221,284	2,054,922	114,733,000
Direct project management - Note 14	2,424,389	565,455	1,866,717	200,379	5,056,940
General and support expenses - Note 14	422,552	97,916	325,362	35,684	881,514
Closing balance, September 30, 2023	1,117,284,847	313,758,206	37,236,282	24,159,155	1,492,438,490

During the period, no assets were formally transferred to the City of Toronto.

8. Capital assets

	September 30, 2023		March 31, 2023	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
	\$	\$	\$	\$
Land	65,033,472	-	65,033,472	-
Computer hardware and software	4,914,848	4,030,180	4,622,232	3,658,559
Leasehold improvements	3,072,066	1,489,859	1,778,993	1,387,743
Furniture and fixtures	573,371	493,286	539,371	477,738
Office equipment	145,563	145,563	145,563	145,563
	73,739,320	6,158,888	72,119,631	5,669,603
Cost less accumulated amortization		67,580,432		66,450,028

Land is recorded at cost in accordance with the significant accounting policy 2(h).

The Corporation owns land containing environmental contamination. As of September 30, 2023, the Corporation has a provision of \$2,218,637 (March 31, 2023 - \$2,218,637) for remediation cost of contaminated site (Note 17) .

Toronto Waterfront Revitalization Corporation

Notes to the financial statements

September 30, 2023

9. Credit facility

The Corporation has a revolving credit facility of \$90 million with a Canadian commercial bank. The facility bears interest at the Canadian Prime Lending Rate less 1.0%. The Corporation's interest rate was 6.20% at September 30, 2023 (March 31, 2023 - 5.70%). The facility is secured by a first lien interest over real property owned by the Corporation in the City of Toronto and a General Security Agreement creating a first priority interest over property of the Corporation not obtained through a contribution agreement, including accounts receivable relating to real properties. At September 30, 2023 the available borrowing limit is \$90 million.

Under the current financing agreement, the Corporation is subject to a financial covenant. The revolving credit facility stipulates that the Corporation must ensure that the most recent appraised value of the property which secures the facility at all times provide a minimum of 150% coverage for the outstanding amount of credit. As at September 30, 2023, the Corporation is in compliance with this covenant and expects to be in compliance for the next 12 months.

10. Accounts payable and accrued liabilities

	September 30, 2023	March 31, 2023
	\$	\$
Holdbacks payable	58,161,584	52,774,124
Accrued liabilities	34,542,946	37,615,832
Accounts payable	14,370,330	16,798,231
	107,074,860	107,188,187

11. Deferred contributions

Deferred contributions represent project specific contributions from Governments which have not been applied to eligible costs at September 30, 2023, as well as contributions received for the acquisition of capital assets which have yet to be amortized.

	September 30, 2023	March 31, 2023
	\$	\$
Expenditures of future periods		
Balance, beginning of year	135,210,520	200,666,459
(Utilization of) additional contributions	(3,174,412)	(54,258,281)
Less: amounts recognized as revenue	(11,905,035)	(11,197,658)
Balance, end of period	120,131,073	135,210,520
Capital contributions		
Balance, beginning of year	-	-
Add: contributions for acquisition of capital assets and assets under development	114,136,032	266,656,444
Less: direct contribution to net assets	(113,646,747)	(265,468,282)
Less: amount amortized to revenue	(489,285)	(1,188,162)
Balance, end of period	-	-
	120,131,073	135,210,520

12. Other liabilities and settlements

Other liabilities and settlements largely represent developer and other deposits.

	September 30, 2023	March 31, 2023
	\$	\$
Deposits - other	923,144	924,180
Developer deposit - Bayside project agreement	214,687	207,273
Total other liabilities	1,137,831	1,131,453
Less: current portion	(923,144)	(924,180)
	214,687	207,273

Toronto Waterfront Revitalization Corporation

Notes to the financial statements

September 30, 2023

13. Net assets

a) Net assets recorded on the Statement of Financial Position are comprised of the following:

	September 30, 2023	March 31, 2023
	\$	\$
Invested in non-amortisable capital assets	65,033,472	65,033,472
Invested in assets under development	1,492,438,490	1,371,767,037
Unrestricted surplus (Note 13b)	64,067,974	65,696,726
Accumulated re-measurement loss	(76,392)	(73,692)
	1,621,463,543	1,502,423,543

b) Unrestricted surplus/(deficit)

	September 30, 2023	March 31, 2023
	\$	\$
Unrestricted surplus (deficit), opening balance	65,696,726	(47,076,057)
Excess of revenues over expenses	5,395,954	81,346,481
Transfer from invested in capital assets	-	55,113,125
Transfer from invested in assets under development	-	16,033,288
Investment in assets under development	(7,024,706)	(19,444,891)
Investment in land	-	(20,275,220)
Unrestricted surplus, closing balance	64,067,974	65,696,726

Toronto Waterfront Revitalization Corporation

Notes to the financial statements

September 30, 2023

14. Expenses by Priority Initiative and Function

	Complete Communities	The Port Lands	Public Places	Strategic Initiatives	Signature Projects	Eastern Waterfront Transit	Quayside	Total September 30, 2023
	\$	\$	\$	\$	\$	\$	\$	\$
<i>Direct project costs:</i>								
Project planning and implementation costs	2,194,301	3,365,917	1,071,221	404,792	437,309	126,937	-	7,600,478
Salaries, fees and benefits	2,038,962	2,114,501	732,071	630,624	359,235	137,421	1,625,784	7,638,598
Less salaries, fees and benefits related to assets under development (Note 7)	(565,455)	(2,424,389)	(200,379)	-	-	-	(1,866,717)	(5,056,940)
	3,667,808	3,056,028	1,602,913	1,035,416	796,544	264,358	(240,933)	10,182,136
<i>General and support expenses:</i>								
General and office administration	335,629	348,063	120,505	103,806	59,133	22,621	267,617	1,257,372
Amortization	130,604	135,443	46,892	40,394	23,011	8,802	104,138	489,285
Information technology	165,109	171,226	59,281	51,066	29,090	11,128	131,651	618,550
Communications and public engagement	78,872	81,794	28,318	24,394	13,896	5,316	62,889	295,478
	710,214	736,526	254,996	219,660	125,129	47,867	566,295	2,660,685
Less general & support costs allocated to assets under development (Note 7)	(97,916)	(422,552)	(35,684)	-	-	-	(325,362)	(881,514)
	4,280,106	3,370,002	1,822,225	1,255,076	921,673	312,225	-	11,961,307

All salaries, fees and benefits have been charged to projects based on timesheet information. General and support expenses for the period ending September 30, 2023 have been allocated to priority initiatives using an overhead burden rate of 0.35 (2022 - 0.37) for every \$1 of direct labour (project management - salaries and benefits). Total salaries, fees and benefits for the Corporation were \$7,638,598 for the period ending September 30, 2023 (2022 - \$7,045,580).

Toronto Waterfront Revitalization Corporation

Notes to the financial statements

September 30, 2023

14. Expenses by Priority Initiative and Function (Cont.)

	Complete Communities	The Port Lands	Public Places	Strategic Initiatives	Signature Projects	Eastern Waterfront Transit	Quayside	Total September 30, 2022
	\$	\$	\$	\$	\$	\$	\$	\$
<i>Direct project costs:</i>								
Project planning and implementation costs	3,367,645	-	886,712	39,557	77,768	844,269	-	5,215,949
Project management - salaries, fees and benefits	1,322,929	2,420,305	370,184	641,946	510,320	207,783	1,572,113	7,045,580
Less project management - salaries, fees and benefits related to assets under development (Note 6)	(542,339)	(2,824,326)	(244,084)	-	-	-	(1,834,546)	(5,445,295)
	4,148,235	(404,021)	1,012,812	681,503	588,088	1,052,052	(262,433)	6,816,234
<i>General and support expenses:</i>								
General and office administration	243,892	446,201	68,246	118,347	94,081	38,306	289,830	1,298,904
Information technology	92,774	169,731	25,960	45,018	35,788	14,571	110,249	494,092
Amortization	116,030	212,277	32,468	56,303	44,758	18,224	137,885	617,944
Communications, marketing and government relations	38,751	70,895	10,843	18,804	14,948	6,086	46,050	206,379
	491,447	899,104	137,517	238,472	189,575	77,187	584,014	2,617,319
Less general & support costs allocated to assets under development (Note 6)	(87,385)	(495,083)	(40,200)	-	-	-	(321,582)	(944,250)
	4,552,297	-	1,110,129	919,975	777,663	1,129,239	-	8,489,303

Toronto Waterfront Revitalization Corporation

Notes to the financial statements

September 30, 2023

15. Commitments

On December 15, 2022, the Corporation executed a lease for office space effective April 1, 2024 for a ten year term. The Corporation has a one time option to terminate this lease should the Corporation's mandate not be extended past the current May 2028 legislative term. The Corporation has lease commitments of \$9,840,702 until March 31, 2034.

16. Risk disclosures

(i) Credit risk:

Credit risk arises from cash, restricted cash and investments held with banks and credit exposure to governments and other debtors, including accounts receivable. The maximum exposure to credit risk is equal to the carrying value (net of allowances) of the financial assets. The objective of managing counterparty credit risk is to prevent losses on financial assets. The Corporation assesses the credit quality of funding partners and debtors, taking into account their financial position, past experience and other factors.

(ii) Liquidity risk:

Liquidity risk is the risk the Corporation will not be able to meet its financial obligations as they fall due. The Corporation's objective in managing liquidity risk is to ensure that it will always have sufficient liquidity to meet its commitments when due, without incurring unacceptable losses or risking damage to the Corporation's reputation. The Corporation manages exposure to liquidity risk by closely monitoring supplier and other liabilities; by focusing on debtor collection; and by requesting government funding in advance.

(iii) Currency risk: The Corporation has cash denominated in U.S. dollars and is exposed to currency risk. Included in the statement of financial position is \$347,782 (March 31, 2023 - \$141,884) of cash and \$765,203 (March 31, 2023 - \$556,126) of payables which has been translated from its U.S. denominated amount.

17. Environmental and contaminated sites liability

The Corporation assesses all of its owned properties on an ongoing basis to determine if contamination, as defined under the standard and regulatory requirements, is present on any of its lands. As of March 2023, the Corporation had made a provision for liability of contaminated sites of \$2,218,637 representing one Waterfront Toronto owned property zoned for parkland and not intended for development. As of September 30, 2023, there has been no change to management's estimates of the liabilities and remediation costs incurred.

18. Net other operating income

	September 30, 2023	September 30, 2022
	\$	\$
Parking and other income	995,757	2,359,130
Less: operating expenses	(787,667)	(1,939,666)
	208,090	419,464
Interest	4,630,866	1,776,530
Realized (loss) gain on foreign currency transactions	3,107	18,906
Other Income	120,878	99,619
Net other operating income	4,962,941	2,314,518

19. Related Party Transactions

By virtue of the TWRC Act, the Governments of Canada and Ontario, the City of Toronto and Waterfront Toronto are related parties. The Corporation receives funding and renders services to these entities in the normal course of carrying out its business. The transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

20. Term receivables

As of September 30, 2023, the Corporation has land sale related Term receivables of \$41,700,210 (March 31, 2023 - \$41,700,210). The Term receivables are payable to the Corporation over a four-year period to March 31, 2027.

Toronto Waterfront Revitalization Corporation

Notes to the financial statements

September 30, 2023

21. Contingent Liabilities

- (a) Under the terms and conditions of the Contribution Agreements, the Corporation provides an indemnity to the City, Province of Ontario and Government of Canada and their respective officers, employees and agents, from and against all claims, losses, damages, costs, expenses, actions and other proceedings related to any injury to or death of a person or damage to or loss of property, infringement of rights or any other loss or damages whatsoever arising directly or indirectly from any willful or negligent act, omission or delay on the part of the Corporation, the Corporation's directors, officers, employees, contractors, agents or Third Party Contractors, in carrying out a project or as a result of the project, except to the extent that the injury, loss or damage has been caused by the City, Province of Ontario and/or Government of Canada or their respective officers, employees or agents.

The Corporation requires all Eligible Recipients to indemnify the Corporation from and against liability on the same basis outlined above.

The Corporation requires most third party contractors to indemnify each level of government and the Corporation, its officers, employees and agents against all claims, liabilities and demands with respect to any injury to persons (including death), damage to, loss or destruction of property or infringement of rights caused by or arising directly from:

- (i) the breach of any term or condition of the contract by the third party contractor or its officers, employees or agents; or
 - (ii) any omission or any willful or negligent act of the third party contractor or its officers, employees or agents in relation to the applicable project.
- (b) Under the Delivery Agreement with each Eligible Recipient respectively, the Corporation provides an indemnity to the Eligible Recipient and its respective officers, employees and agents, from and against any claims with respect to direct loss arising from:
- (i) any breach by the Corporation of the Delivery Agreement or documents or certificates given pursuant to the Agreement, or
 - (ii) any negligent or willful acts or omissions of the Corporation, its officers, directors, employees or agents, in relation to the project.

Management attempts to limit the Corporation's exposure under these indemnifications through the purchase of directors and officers insurance, the allocation of risk to Eligible Recipients and contractors (outlined above) and through enforcing the Corporation's and Eligible Recipients' policies and procedures, as well as intense oversight where appropriate.

- (c) The Corporation has entered into a number of Development Agreements with third party builders with respect to lands located in the West Don Lands and East Bayfront. Under these agreements, the Corporation has provided the builders certain milestone representations based on specific Waterfront Toronto development obligations. The representations primarily relate to schedule delays. The maximum potential future liability related to these representations is \$7.5 million under one development agreement with one builder and although under the other development agreements the amounts are not determinable, they are limited to the amount up to the respective builder's carrying costs and/or out of pocket expenses incurred on the development. No amount for these representations has been accrued in these financial statements. Management attempts to limit the Corporation's potential exposure under these guarantees through appropriate schedule, cost and scope management practices.
- (d) The Corporation received a claim from a development partner for the recovery of additional costs related to environmental risk management. An amount based on management's assessment of the liability has been accrued in the financial statements. Resolution of the claim is expected by December 31, 2023.

22. Comparatives

Certain comparative amounts have been reclassified to conform with the current year's method of presentation.

23. Impact of Climate Risk

The impact of physical climate-related events (severe weather events and other natural conditions) and the transition to a lower carbon economy were considered in preparing the financial statements. The Corporation assesses governance, strategy, risk management, and metrics and targets associated with climate risk. The items subject to material impact arising from climate risk are the valuation of assets under development, impairment of capital assets, and accrued liabilities. As of financial statement date, there has been no material impact on financial position and/or results of operations.

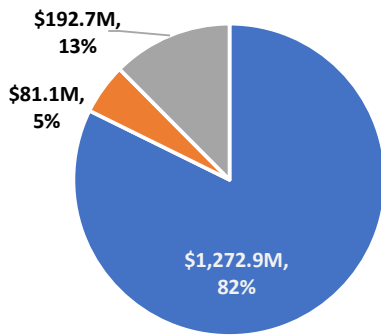
Purpose	<p>For Committee Information</p> <p>The Port Lands Program Summary Dashboard is provided to report on the progress of Port Lands Program (PLFP, Park Finishes and LSBE) budgets and schedules against the corporation's Long-Term Plan and Capital Project Budgets approved by the Board of Directors.</p>
Areas of note/ Key issues	<p>The PLFP budget has been increased to \$1,272.9 million as per the amendment to the PLFP Contribution Agreement executed in June 2023. The Park Finishes approved budget is \$81.1 million and negotiations are underway between Waterfront Toronto, the City of Toronto, and the Province of Ontario to complete the funding agreements required for this project. LSBE is currently forecasted to be \$2.7M below the approved budget for a total EAC of \$190M. Discussions are underway with the City of Toronto to confirm additional funding for that project.</p> <p>All programs are expected to finish on schedule. PLFP Program is forecasting substantial completion in December 2024. Flood Protection is projected to be achieved by December 2024. LSBE will be completed in October 2025.</p> <p>The following represents the financial status of the program as of September 2023:</p> <ul style="list-style-type: none"> • Total approved budget for Port Lands program is \$1.55 billion. • Costs incurred to date equal \$1.03 billion. • \$55.7 million of the project contingency is unallocated and is available for future risks and unknowns.
Resolution or Next Steps	<p>The next Port Lands Program Summary Dashboard will be for Q3 2023/2024 and will be provided at the next FARM meeting.</p>

Port Lands Program Summary - as of September 2023

Issued: November 7, 2023

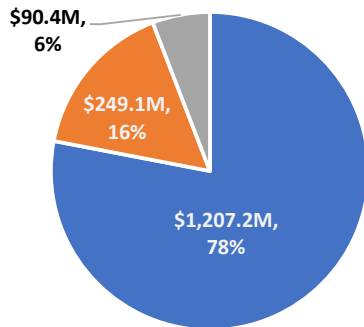
PROGRAM BUDGET ALLOCATION

Budget by Program



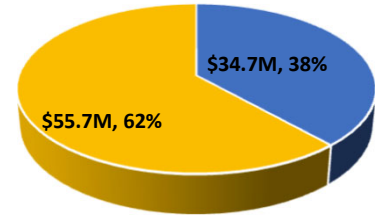
- Port Lands Flood Protection
- Parks Finishes and Public Realm
- Lake Shore Boulevard East

Program Budget by Cost Category



- Hard Cost
- Soft Cost
- Contingency

Contingency Allocation at Month-End



- Total Contingency Used
- Total Contingency Unused

PROGRAM FINANCIAL SUMMARY

Project Name	Original Budget (\$M)	Approved Changes (\$M)	Approved Budget (\$M)	Total Commitments (\$M)	Anticipated Commitments (\$M)	Estimate At Completion (\$M)	Variance to Approved Budget (\$M)	Costs Incurred to Date (\$M)	% Complete to Date	Status
Forecast to complete within budget Forecast to complete within 10% of budget Forecast to complete more than 10% overbudget										
Port Lands Flood Protection	\$ 1,185.00	\$ 87.90	\$ 1,272.90	\$ 1,176.99	\$ 95.91	\$ 1,272.90	\$ 0.00	\$ 948.54	75%	●
Parks Finishes and Public Realm	\$ 0.00	\$ 81.10	\$ 81.10	\$ 52.72	\$ 28.38	\$ 81.10	\$ 0.00	\$ 1.70	2%	●
Lake Shore Boulevard East	\$ 163.25	\$ 29.50	\$ 192.75	\$ 139.03	\$ 50.98	\$ 190.01	\$ 2.73	\$ 77.45	41%	●
Cumulative	\$ 1,348.25	\$ 198.50	\$ 1,546.75	\$ 1,368.74	\$ 175.27	\$ 1,544.01	\$ 2.73	\$ 1,027.69	67%	●

PROGRAM SCHEDULE SUMMARY

SCHEDULE SUMMARY (CONSTRUCTION COMPLETION)									
Projects	Baseline		Forecast		Actual		Delay (months) from Baseline Finish date	Status	
	Start	Finish	Start	Finish	Start	Finish			
On schedule 1-6 months behind baseline schedule 6+ months behind baseline schedule									
Port Lands Flood Protection Substantial Completion	13-Sep-18	31-Dec-24	13-Sep-18	31-Dec-24	13-Sep-18		0		
Port Lands Flood Protection Total Completion	13-Sep-18	30-Jun-25	13-Sep-18	30-Jun-25	13-Sep-18		0		
Parks Finishes and Public Realm Substantial Completion	1-Jul-23	31-Dec-24	1-Jul-23	31-Dec-24	1-Jul-23		0		
Parks Finishes and Public Realm Total Completion	1-Jul-23	30-Jun-25	1-Jul-23	30-Jun-25	1-Jul-23		0		
Lake Shore Boulevard East Substantial Completion	1-Jun-21	18-Sep-25	1-Jun-21	1-Oct-25	1-Jun-21		0		
Lake Shore Boulevard East Total Completion	1-Jun-21	18-Sep-25	1-Jun-21	1-Oct-25	1-Jun-21		0		
Cumulative	15-Mar-21	27-May-25	15-Mar-21	31-May-25	15-Mar-21		0		

PROGRAM BUDGET STATUS

Budget Status - by Segment

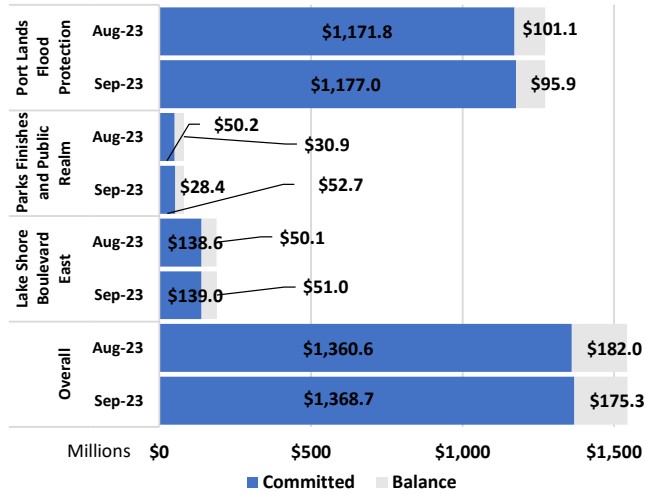


- Forecast to complete within approved budget
- Forecast to complete within 10% of approved budget
- Forecast to complete more than 10% over approved budget

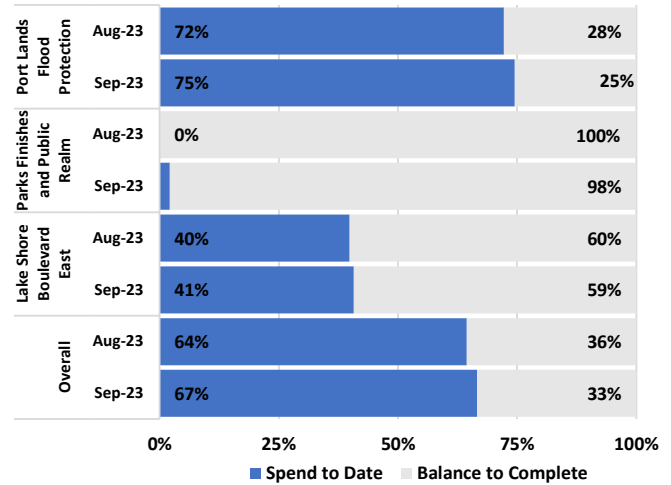
Port Lands Program Summary - as of September 2023

Issued: November 7, 2023

Commitments and Balance to Complete (\$M) (Based on Month-End EAC)

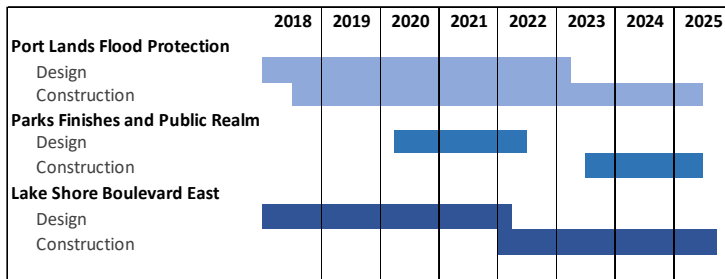


Program Progress - by Segment (Based on Month-End EAC)

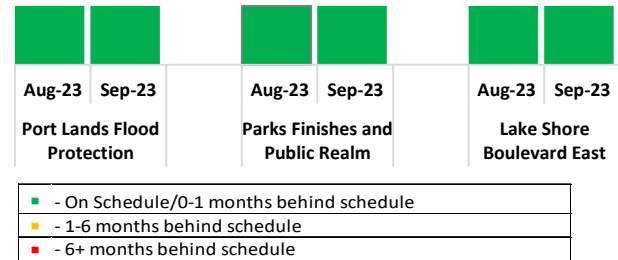


PROGRAM SCHEDULE STATUS

Program Timeline - By Segment



Schedule Status - by Segment



SITE PHOTOS



Figure 1
Excavation Stage 2 at West Plug East



Figure 2
Canoe Cove Island

Port Lands Program Summary - as of September 2023

Issued: November 7, 2023



Figure 3

SDMA East Zone - DMU 2 - Bulk Dredging

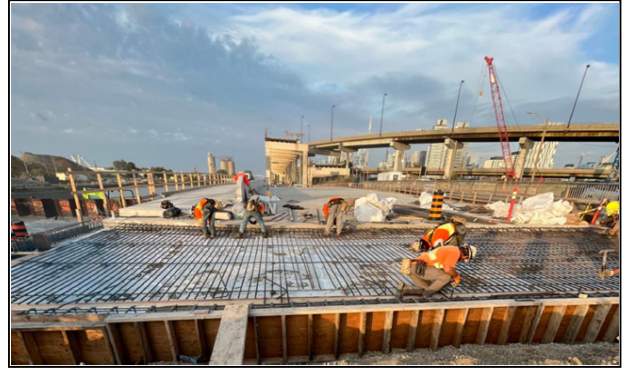


Figure 4

Lake Shore Bridge EB - Form & Rebar of Approach Slab



Figure 5

New Cherry Street Road and Blvd Work



Figure 6

LSBE West of Bridge – Forming for concrete road base



Figure 7

Laying final portion of the stormwater network between Don Roadway and Saulter



Figure 8

River Park North – Construction Progress

Port Lands Program Summary - as of September 2023

Issued: November 7, 2023



Figure 9

River Park North – Construction of Park Features



Figure 10

Promontory Park South – Placement of soil from stockpile as surcharge fill



Figure 11

River Park South – Construction of Parks Features



Figure 12

River Park South – Construction of Parks Features

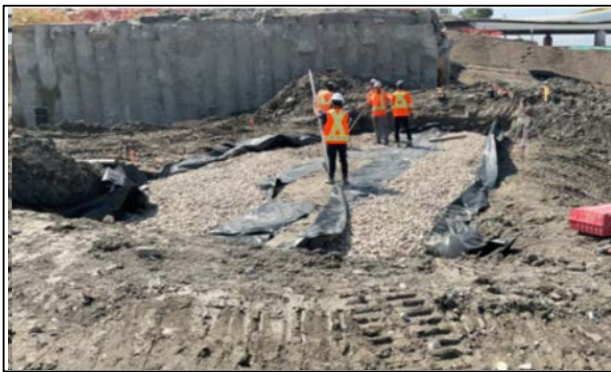


Figure 13

River Valley – Excavation and grading of area west of Levee Core 2 completed in preparation for Carp Gate B installation.



Figure 14

Commissioners Street - Construction work west of Munitions Street

Finance, Audit and Risk Management Committee– November 23, 2023
Item 04)c)ii)b) – Port Lands Flood Protection (PLFP)
Dashboard Executive Summary
David Kusturin

Purpose	<p>For Committee Information</p> <p>The Port Lands Flood Protection (PLFP) Dashboard is provided to report on the progress and achievement of project budgets and schedules against the corporation's Long-Term Plan and Capital Project Budgets approved by the Board of Directors.</p>
Areas of note/ Key issues	<p>Waterfront Toronto is tracking the progress of the Port Lands Flood Protection (PLFP) Program and is forecasting completion in December 2024. The PLFP Contribution Agreement Amendment was executed in June 2023, increasing the budget to \$1,272.9M. Given the approved additional funding, the project is now forecasting to be completed on budget. Schedule and budget continue to be closely monitored. The Estimate at Completion (EAC) in the Financial Summary is based on trade packages and change order adjustments to the September 2022 EAC, aligned with the new program budget.</p> <p>The following represents the financial status of the projects as of September 30, 2023:</p> <ul style="list-style-type: none"> • The overall program budget has been updated to \$1,272.9 million as per the amendment to the PLFP Contribution Agreement. • Current commitments are equal to \$1,177 million. • Costs incurred to date equal \$948.5 million. • \$31.5 million of project contingency is unallocated and is available for future risks and unknowns. <p>The key accomplishments for Q2 2023-2024 include:</p> <ul style="list-style-type: none"> • Prepared Interim Cost and Risk Analysis Update to August 23, 2023, concluding a 95.2% probability of not exceeding the target budget • Completed concrete works and progressed with mechanical and electrical works for Interim Sanitary Pumping Station • Completed wet utilities, duct banks, conduits and installed electrical cables for THESL on Commissioners Street • Progressed road works on Cherry and Commissioners Streets • Completed approach slabs, sidewalks, and curbs for both Cherry North bridges • Completed installation of lighting conduits and fixtures on Cherry North vehicular, Cherry South and Commissioners bridges • Completed waterproofing and paving on the Commissioners bridge • Progressed paint repairs and touch-ups on Cherry North, Cherry South, and Commissioners Street bridges • Completed installation of underdrain and barrier layers at west plug • Completed installation of armor stone and stream bed materials under Commissioner's bridge • Completed plantings and installation of irrigation system in Canoe Cove • Progressed earthworks including surcharge, surcharge removal, placement of cap standard fill and fine grading in River Parks North and South as well as Promontory Park South
Resolution or Next Steps	<p>The next Port Lands Flood Protection & Enabling Infrastructure Program Dashboard for Q3 2023/2024 will be presented at the next FARM meeting.</p>

PLFP Monthly Program Dashboard - As of September 2023

Issued: October 26, 2023

PROGRAM SUMMARY

Waterfront Toronto is tracking the progress of the Port Lands Flood Protection (PLFP) Program, which is forecasted to be completed in December 2024. The PLFP Contribution Agreement Amendment was executed in June 2023, increasing the budget to \$1,272.9M. \$31.5M in contingency remains unallocated (at September 2023, based on additional capital approval contingency). Given the approved additional funding, the project is now forecasting to be completed on budget.

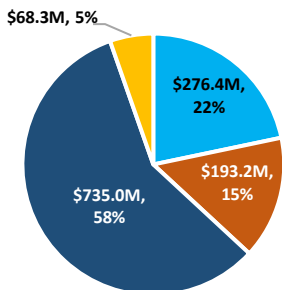
STATUS SUMMARY



Schedule and budget continue to be closely monitored. The overall program budget has been updated to \$1,272.9M as per the amendment to the PLFP Contribution Agreement. The Estimate at Completion (EAC) in the Financial Summary is based on trade package and change order adjustments to the September 2022 EAC, aligned with the new program budget. The project team will proceed to procure all remaining project tender packages and has completed the Semi-Annual Cost Risk Forecast & Risk Update and Quantification for Q2 2023/2024.

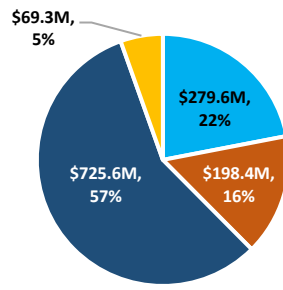
PROGRAM BUDGET ALLOCATION (Based on the PLFP Amended CA Budget)

Program Budget by Segment (\$1,272.9M)



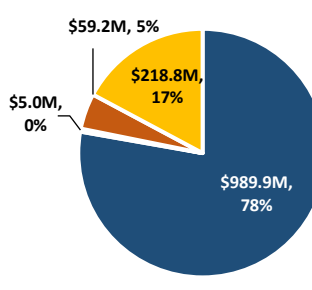
- Roads and Services
- Bridges and Structures
- Flood Protection Features
- Parks and Public Realm

Current Estimate at Completion (\$1,272.9M)



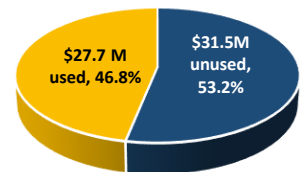
- Roads & Services
- Bridges & Structures
- Flood Protection Features
- Parks & Public Realm

Program Budget by Category (\$1,272.9M)



- Hard Costs
- NRHST
- Risk Contingency
- Soft Costs

Contingency Allocation at Month-End (\$27.7M of \$59.2M)



- Total Contingency Unused
- Total Contingency Used

FINANCIAL SUMMARY

Project Name	Due-Diligence Budget (\$M)	Approved Changes (\$M)	*Approved Budget (\$M)	Total Commitments (\$M)	Anticipated Commitments (\$M)	**Estimate At Completion (\$M)	Variance to Approved Budget (\$M)	***Costs Incurred to Date (\$M)	% Complete to Date	Status
■ Forecast to complete within budget ■ Forecast to complete within 10% of budget ■ Forecast to complete more than 10% overbudget										
Roads & Services	\$ 168.00	\$ 108.40	\$ 276.40	\$ 256.67	\$ 22.93	\$ 279.60	-\$ 3.20	\$ 204.92	73%	●
Commissioners St. West to New Cherry St.	18.00	15.40	33.40	34.78	0.13	34.90	-1.50	23.75	68%	●
Commissioners St. East to Saulter St.	7.00	1.41	8.41	9.24	0.37	9.61	-1.20	6.46	67%	●
Cherry Street Re-alignment	22.00	16.71	38.71	32.27	6.43	38.71	0.00	25.12	65%	●
Don Roadway North	7.00	11.03	18.03	17.49	0.54	18.03	0.00	9.57	53%	●
Hydro One Integration	12.00	-5.64	6.36	6.13	0.72	6.86	-0.50	5.86	86%	●
Site Wide Municipal Infrastructure	102.00	69.49	171.49	156.76	14.74	171.49	0.00	134.16	78%	●
Bridges & Structures	\$ 163.00	\$ 30.24	\$ 193.24	\$ 185.64	\$ 12.71	\$ 198.35	-\$ 5.11	\$ 148.59	75%	●
Cherry Keating-Cherry Street Bridge North	55.00	-16.61	38.39	35.61	2.78	38.39	0.00	31.14	81%	●
Cherry Polson-Cherry Street Bridge South	42.00	2.07	44.07	40.42	2.65	43.07	1.00	37.73	88%	●
Commissioners Street Bridge/Don Roadway	43.00	10.97	53.97	53.54	1.43	54.97	-1.00	49.76	91%	●
Lake Shore Road & Rail Bridge Modifications	19.00	34.30	53.30	54.05	4.37	58.41	-5.11	28.81	49%	●
Old Cherry St. Bridge Demolition	4.00	-0.50	3.50	2.02	1.48	3.50	0.00	1.14	33%	●
Flood Protection Features	\$ 762.00	-\$ 27.04	\$ 734.96	\$ 635.62	\$ 90.03	\$ 725.65	\$ 9.31	\$ 532.99	73%	●
River Valley System & Don Greenway	486.00	67.56	553.56	497.53	45.30	542.83	10.73	421.01	78%	●
Keating Channel Modifications	35.00	-23.86	11.14	9.12	2.52	11.64	-0.50	7.70	66%	●
Polson Slip North Side Naturalization	60.00	-25.97	34.03	30.20	3.83	34.03	0.00	26.90	79%	●
Don Roadway Valley Wall Feature	27.00	-6.62	20.38	15.37	5.00	20.38	0.00	11.67	57%	●
Eastern Avenue Flood Protection	5.00	-3.12	1.88	1.51	0.40	1.91	-0.03	1.22	64%	●
East Harbour Flood Protection	5.00	-4.96	0.04	0.04	0.00	0.04	0.00	0.06	153%	●
Flow Control Weirs	38.00	-28.66	9.34	7.64	1.69	9.34	0.00	6.30	67%	●
Sediment and Debris Management Area	78.00	16.22	94.22	64.21	29.90	94.11	0.11	51.05	54%	●
Villiers Island Grading	28.00	-17.63	10.37	9.99	1.38	11.37	-1.00	7.10	62%	●
Parks & Public Realm	\$ 92.00	-\$ 23.70	\$ 68.30	\$ 99.06	-\$ 29.76	\$ 69.30	-\$ 1.00	\$ 62.04	90%	●
River Park North	23.00	6.02	29.02	39.86	-9.85	30.02	-1.00	26.12	87%	●
River Park South	27.00	-20.81	6.19	18.98	-12.79	6.19	0.00	10.82	175%	●
Promontory Park South	42.00	-8.91	33.09	40.22	-7.13	33.09	0.00	25.10	76%	●
Cumulative	\$ 1,185.00	\$ 87.90	\$ 1,272.90	\$ 1,176.99	\$ 95.91	\$ 1,272.90	\$ 0.00	\$ 948.54	75%	●

*Approved Budget reflects the PLFP CA Amendment Budget.

**Estimate at Completion reflects WT EAC at Month's End.

***Actual costs do not include accrued costs.

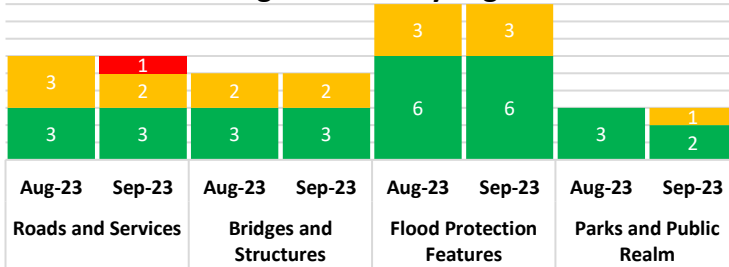
Note: Some commitments/cost as of September 30th related to Park Finishes are included under PLFP base parks. WT is in process of reallocating them, and the numbers will be adjusted accordingly in the next report.

PLFP Monthly Program Dashboard - As of September 2023

Issued: October 26, 2023

PROGRAM BUDGET STATUS

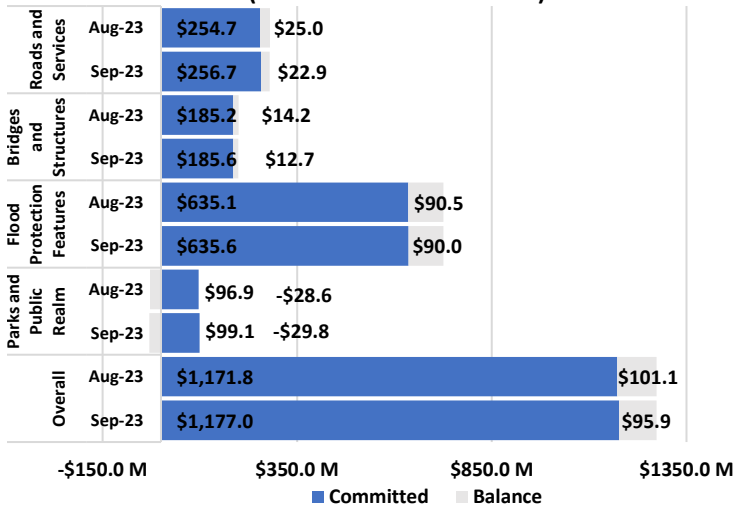
Budget Status - by Segment



- Forecast to complete within approved budget
- Forecast to complete within 10% of approved budget
- Forecast to complete more than 10% over approved budget

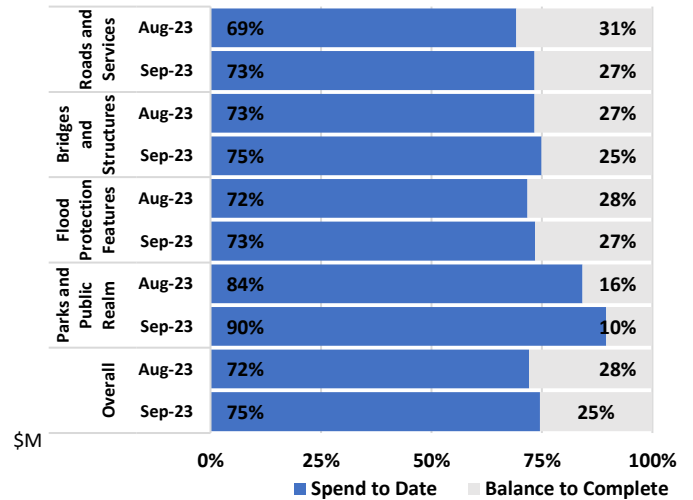
Commitments and Balance to Complete (\$M)

(Based on Month-End EAC)



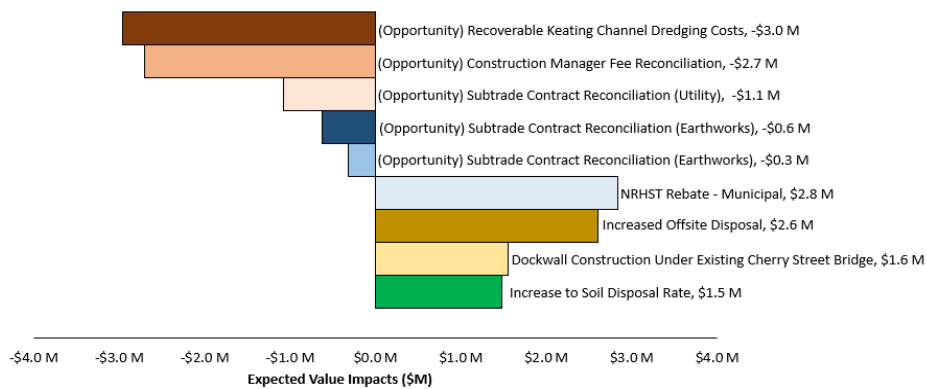
Program Progress - by Segment

(Based on Month-End EAC)



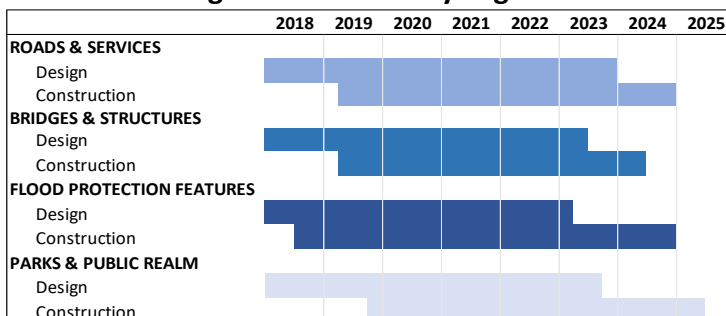
KEY BUDGET RISKS & IMPACTS

Top Risks Impacting Project Cost



PROGRAM SCHEDULE STATUS

Program Timeline - By Segment



Key Communications Milestones

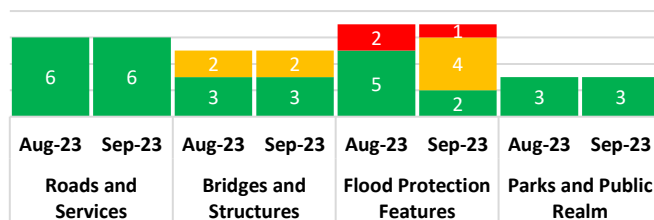
Cherry Street & Lake Shore Blvd Intersection	Nov-23
New Cherry Street Opening	Nov-23
Commissioners Street Opening	Nov-23
West Plug Completion	Jan-24

PLFP Monthly Program Dashboard - As of September 2023

Issued: October 26, 2023

SCHEDULE SUMMARY (CONSTRUCTION COMPLETION)								
Projects	Baseline*		Forecast**		Actual		Delay (months) from Baseline Finish date	Status
	Start	Finish	Start	Finish	Start	Finish		
■ On schedule ■ 1-6 months behind baseline schedule ■ 6+ months behind baseline schedule								
Roads & Services	27-May-19	13-Dec-24		13-Dec-24	27-May-19	4-Dec-20	0	●
Commissioners St. West to New Cherry St.	16-Sep-19	13-Dec-24		13-Dec-24	16-Sep-19		0	●
Commissioners St. East to Saulters St.	31-Jan-20	8-Oct-24		15-Oct-24	31-Jan-20		0	●
Cherry St. Re-alignment	27-May-19	14-Nov-24		15-Nov-24	27-May-19		0	●
Don Roadway North	1-Mar-21	19-Nov-24		19-Nov-24	1-Mar-21		0	●
Hydro One Integration	15-Jun-20	4-Dec-20			15-Jun-20	4-Dec-20	0	●
Site Wide Municipal Infrastructure	12-Nov-19	8-Jul-24		2-Aug-24	12-Nov-19		0	●
Bridges & Structures	6-May-19	23-Apr-25	17-May-24	23-Apr-25	6-May-19		0	●
Cherry Keating-Cherry St. Bridge North	6-May-19	13-Sep-23		13-Nov-23	6-May-19		2	●
Cherry Polson-Cherry St. Bridge South	31-Jan-20	18-Dec-23		18-Dec-23	31-Jan-20		0	●
Commissioners St. Bridge/Don Roadway	15-Oct-19	18-Aug-23		15-Nov-23	15-Oct-19		2	●
Lake Shore Road & Rail Bridge Modifications	1-Jun-21	23-Apr-25		23-Apr-25	1-Jun-21		0	●
Old Cherry St. Bridge Demolition	10-May-24	9-Jul-24	17-May-24	15-Jul-24			0	●
Flood Protection Features	13-Sep-18	16-May-25		16-May-25	13-Sep-18		0	●
River Valley System & Don Greenway	13-Sep-18	22-Jan-25		17-Apr-25	13-Sep-18		2	●
Keating Channel Modifications	3-Apr-23	5-Sep-23		20-Oct-23	17-Mar-23		1	●
Polson Slip Naturalization	14-Apr-20	17-Aug-23		16-Apr-24	14-Apr-20		7	●
Don Roadway Valley Wall Feature	17-Dec-21	5-Jun-24		5-Jun-24	17-Dec-21		0	●
Flow Control Weirs	22-Jun-23	8-Aug-24		17-Sep-24	20-Nov-23		1	●
Sediment and Debris Management Area	27-Jan-20	16-May-25		16-May-25	27-Jan-20		0	●
Villiers Island Grading	2-Mar-20	16-Aug-24		12-Nov-24	2-Mar-20		2	●
Parks & Public Realm	28-Oct-19	30-Jun-25		30-Jun-25	28-Oct-19		0	●
River Park North	29-Jun-20	24-Dec-24		24-Dec-24	29-Jun-20		0	●
River Park South	27-Jul-20	24-Dec-24		24-Dec-24	27-Jul-20		0	●
Promontory Park South	28-Oct-19	30-Jun-25		30-Jun-25	28-Oct-19		0	●
Substantial Performance of PLFP / Achievement of Flood Protection		31-Dec-24		31-Dec-24			0	●
Substantial Performance of Parks		30-Jun-25		30-Jun-25			0	●
PLFP Close-Out		30-Jun-25		30-Jun-25			0	●
Cumulative	13-Sep-18	30-Jun-25	17-May-24	30-Jun-25	13-Sep-18	4-Dec-20	0	●

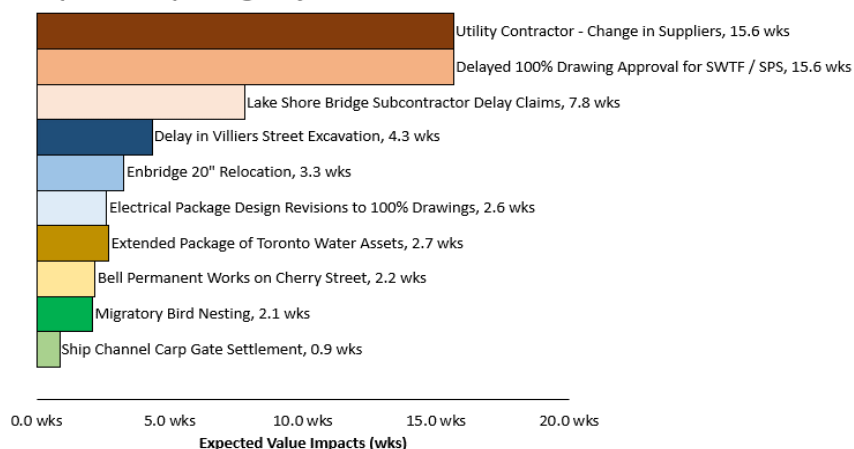
Schedule Status - by Segment



- - On Schedule/0-1 months behind schedule
- - 1-6 months behind schedule
- - 6+ months behind schedule

KEY SCHEDULE RISKS & IMPACTS

Top Risks Impacting Project Schedule



PLFP Monthly Program Dashboard - As of September 2023

Issued: October 26, 2023

PROGRAM PROGRESS - KEY TASKS

Key Tasks To be Completed in Next 6 Months	Sep Completion	Oct Completion	Nov to Jan Completion	Feb to Apr Completion
<div> ■ On schedule ■ 1-6 months behind baseline schedule ■ 6+ months behind baseline schedule </div>				
Design Phase Status				
Lake Shore Bridge Modification Design - Street Lighting		✓		
Lake Shore Bridge Modification Design - Pedestrian Lighting		✓		
Hydro and Street Lighting - Permanent Electrical (Cherry St & Commissioner St)		✓		
Toronto Hydro Main Feeder Line - Lake Shore Bridge		✓		
Enbridge Design		✓		
Cadillac Fairview Utility Design		✓		
Sanitary Pumping Station (SPS)			✓	
Storm Water Treatment Facility (SWTF)			✓	
Contracts to be Secured				
Parks Bike Bridges		✓		
Lighting Controls (Parks)		✓		
Wet Utilities (All Contracts)		✓		
Lighting and Traffic Signal		✓		
SDMA Grading & Finishes				✓
Permits/Design Approvals to be Secured				
South Plug Permit Package Prior to Construction		✓		
Don Roadway Valley Wall Feature Permit Package Prior to Construction		✓		
Cherry Street Re-alignment - Road Permits		✓		
Sitewide Municipal Infrastructure - Road Permits			✓	
Old Cherry Street Bridge Demolition - City Release for Construction, HMA for Bridge Demolition			✓	
Construction Completion				
Keating Channel Modifications - Revetement Stone Installation		✓		
Primary Irrigation Distribution System Completion		✓		
MT-35 Dockwall Reinforcement		✓		
North Plug Don Roadway Dockwall		✓		
Secondary Irrigation Distribution System Completion			✓	
Commissioners Street Bridge Project Completion			✓	
New Cherry Street Intersection with Lake Shore Blvd Opening			✓	
Villiers Cul-De-Sac Completion			✓	
Cherry Street Bridge North Project Completion			✓	

INDIGENOUS CONSULTATION

Update

- Indigenous art/design review process continues for PLFP Public Realm
- Design concepts for Indigenous Carvings on Lake Shore Blvd Bridge received and under review
- MCFN FLRs were invited to join TRCA fisheries monitoring in September
- Continued Discussions with MCFN on Indigenous Design for Destination Play

Next Steps

- Finalize selection process for Indigenous art/design for PLFP Public Realm
- Select designer for Indigenous Carvings on Lake Shore Blvd
- Continue to advance relationship development opportunities between WT and Six Nations
- Continue Discussions with MCFN on Indigenous Design for Destination Play

SITE PHOTOS



Figure 1

River Valley - Phase 1 Ice Management Area Armour Stone Profile B Completed



Figure 2

River Valley - Wetland #4 and Carp Gate



Figure 3

Don Roadway - Installation of Storm Sewer from Don Roadway to



Figure 4

Commissioners Street West - Sanitary Pumping Station



Figure 5

River Park South (South River View Lawn) - Stair H and SRVL Soil Placement and Installation of Electrical Conduits



Figure 6

Cherry Street Bridge North - Ongoing Works

PLFP CONTINGENCY DRAWDOWN SUMMARY AS OF September 2023

Change in Total Program Contingency	Hard Draw	Soft Draw	Draw	Balance	Notes
Opening Balance (As Per New Budget with Additional Funding)*				59.2 M	PLFP
Less: September 2022	0.2 M	0.0 M	0.2 M	58.9 M	Each TPBR/CO/SCO Approved by WT Executives
Less: October 2022	-0.1 M	0.0 M	-0.1 M	59.0 M	Each TPBR/CO/SCO Approved by WT Executives
Less: November 2022	0.5 M	0.0 M	0.5 M	58.6 M	Each TPBR/CO/SCO Approved by WT Executives
Less: December 2022	2.8 M	0.0 M	2.8 M	55.8 M	Each TPBR/CO/SCO Approved by WT Executives
Less: January 2023	0.0 M	0.1 M	0.1 M	55.7 M	Each TPBR/CO/SCO Approved by WT Executives
Less: February 2023	4.5 M	0.0 M	4.5 M	51.2 M	Each TPBR/CO/SCO Approved by WT Executives
Less: March 2023	3.5 M	0.1 M	3.6 M	47.6 M	Each TPBR/CO/SCO Approved by WT Executives
Less: April 2023	0.1 M	0.0 M	0.1 M	47.5 M	Each TPBR/CO/SCO Approved by WT Executives
Less: May 2023	5.5 M	0.0 M	5.5 M	42.0 M	Each TPBR/CO/SCO Approved by WT Executives
Less: June 2023	3.9 M	0.2 M	4.1 M	37.9 M	Each TPBR/CO/SCO Approved by WT Executives
Less: July 2023	0.0 M	2.0 M	2.0 M	35.9 M	Each TPBR/CO/SCO Approved by WT Executives
Less: August 2023	0.7 M	1.4 M	2.0 M	33.9 M	Each TPBR/CO/SCO Approved by WT Executives
Less: September 2023	2.4 M	0.0 M	2.4 M	31.5 M	Each TPBR/CO/SCO Approved by WT Executives
Unallocated Contingency Balance	24.0 M	3.7 M	27.7 M	31.5 M	

PLFP Contingency Tracker			
Sep-23	Sep 2022 EAC ESTIMATE	APPROVED AMOUNT	CONTINGENCY DRAWDOWN
CO1004-TP60-River Valley Bridge End Post Rework	-	18,026.03	18,026.03
CO1059-TP167-Disposal of ST0443 (Inherited GIPI Spoil)	240,837.45	240,837.45	-
CO1069-TP167-OGS Basket Design and Supply	17,202.68	17,202.68	-
CO1070-TP126-Construct & Install Habitat Feature	-	4,419.32	4,419.32
CO1071-TP134-Design Changes Required at LSE and Cherry	-	15,012.75	15,012.75
CO1072-TP76-Concrete Bedding for Storm Pipe at Commissioners	-	18,296.59	18,296.59
CO1073-TP147-Excavation and Backfill of Lighting Conduits	-	21,032.29	21,032.29
CO1074-TP147-Lansdowne - King - Overlea Soil Import	-	58,410.31	58,410.31
CO1075-TP167-Utility and Roads Spoils Disposal ST0482 and ST0489	1,841,833.07	1,841,833.07	-
CO1076-TP125-Streambed Aggregate Type 2 Additional Quantities	-	15,930.40	15,930.40
CO1077-TP82-Streambed Aggregate Type 2 Additional Quantities	-	68,894.73	68,894.73
CO1080-TP167-SSM Sampling and QP Interpretation (Part 3)	25,769.66	25,769.66	-
CO1084-TP41-Reconciliation of Inherited Stockpile Disposal and Movements	-	(203,346.30)	(203,346.30)
CO1086-TP106-OGS Basket Design and Supply	-	167,006.00	167,006.00
CO1087-TP139-SWTF Culvert Raft Slab	-	19,465.45	19,465.45
CO1088-TP139-Reinforcement Changes and Scaffolding Inspection	23,661.62	24,454.37	792.75
CO1089-TP119-ISPS Temporary Pump Modification	-	22,822.74	22,822.74
CO1091-TP182-Reconciliation for NPI 140 - CC6567 Dewatering	-	(61,644.24)	(61,644.24)
CO1092-TP153-TC Modifications at Cherry Polson	-	36,515.12	36,515.12
CO1093-TP124-Additional Duct Work on Old Cherry St per SI No 072	-	73,226.50	73,226.50
CO1094-TP168-Cedar Fence Along Commissioners	50,268.76	50,268.76	-
CO1095-TP143-Dewatering Extension for SWTF and OGS Budget Transfer	-	-	-
CO1096-TP167-EW 3.4 Future Munitions CBRA Z Trench Filling	6,278.58	6,278.58	-
CO1099-TP167-Vac Pond Management Extension Oct 2023 to Dec 2023	-	103,057.50	103,057.50
CO1100-TP142-Misc Metals Scopes Changes	52,850.00	393,067.72	340,217.72
CO1103-TP106-Transfer Plates for OGS and Outlet Gate	-	41,540.10	41,540.10
CO1066-TP80- Balustrade Exp. Cover Plates	36,380.29	36,380.29	-
CO1067-TP80- Balustrade Storage Fees	15,855.00	55,530.13	39,675.13
CO1068-TP146- CSNCOMM - QuadGuards	-	559,691.65	559,691.65
CO1078-TP147- MT35 Concrete Debris Disposal	21,125.20	21,125.20	-
CO869-TP41-RVPS EW-6.3 Surcharge	111,354.95	94,187.94	(17,167.01)
CO1033-TP167-185 Villiers Cell Decommission Sampling Program	-	22,936.90	22,936.90
CO1044-TP145-DRW-RA34 Deadman Assembly	94,812.90	94,812.90	-
CO1056-TP147-West Plug Debris Disposal	67,523.27	70,438.48	2,915.21
CO1079-TP167-RPN & RPS Excavation, Inheritance, Testing and Administration	412,545.10	412,545.10	-
TPBR194 Chain Link Fence- Cherry St. Re-alignment S&N of Keating (Linkun Fence Inc.) CM2023-15	220,552.64	297,844.81	77,292.17
CO924-TP66-MH 112 Pipe Subsidence Monitoring	-	25,579.40	25,579.40
CO952-TP76-3C Excavation Reconciliation	-	145,231.87	145,231.87
CO975-TP76-Uncontrollable Water at Dockwall	96,769.58	96,769.58	-
CO984-TP76-900mm STM Pipe Plug	-	57,730.31	57,730.31
CO1019-TP168-Supply of Logs for Log Features WP9	42,280.00	99,553.55	57,273.55
CO1024-TP167-Disposal of PPS Material	60,209.36	60,209.36	-
CO1040-TP116-Polson Cherry Sequencing	160,149.08	160,149.08	-
CO1045-TP45-Reconciliation of SBA1 and 20-5mm Round Stone Supply	1,018,029.72	1,379,929.60	361,899.88
CO1046-TP125-FES Rework South of Wetland 2	-	7,195.53	7,195.53
CO1048-TP33-2022 Order Management Costs	-	23,058.46	23,058.46
CO1049-TP126-Repair Frost Heaved Plugs	-	19,768.60	19,768.60
CO1051-TP147-ISPS Trench Excavation	84,235.32	84,235.32	-
CO1052-TP186-Polson St Sequencing Traffic Control	-	26,953.50	26,953.50
CO1053-TP175-Polson Sequencing TCBs	-	37,835.32	37,835.32
CO1054-TP191-MGT Paving and Restorations	51,687.30	51,687.30	-
CO1055-TP78-Contract Reconciliation and Missing Splicing Units	-	242,419.18	242,419.18
CO1060-TP153-Traffic Signal Upgrades at Don Roadway and Villiers	-	17,544.13	17,544.13
CO1061-TP75-Hastings Roping Activities on Commissioners	-	33,179.23	33,179.23
CO1064-TP45-SSM for CSF EW 1.3 RVPN	1,151,234.38	1,155,295.12	4,060.74
SC002: PFP: Design and Supply of Playing Equipment-WholeTrees Steel and Engineering	-	43,054.58	43,054.58
TPBR193 Installation of Cherry Street N and Commissioners St. Bridge- Hydro Enclosure Downturns (Ex fox) CM2023-13	-	73,335.75	73,335.75
CO970-TP22-CSN - Street Light Anchors	-	17,009.88	17,009.88
CO1039-TP44-CSSCOMM - Site OH Escalation	602,490.00	116,970.52	(485,519.48)
CO1042-TP167-Obstruction Management for Dockwall Reinforcement	28,959.69	28,959.69	-
CO1043-TP23-Water transportation from dewatering at MT-35 dockwall	41,223.00	41,223.00	-
CO1062-TP22- CSN - EJ Fab Rev & Escalation	-	209,242.17	209,242.17
WT: Risk Management Advisory Services - Portlands (Refer to NAV #1895.01 - 1895.03)	-	(1,350.00)	(1,350.00)
Legal Services - 39 Commissioners- Final Report	-	(318.75)	(318.75)
PFP: Sanitary Discharge Permit Fees to Discharge Treated Water to the City of Toronto Sanitary System on Cherry Street	-	(759,317.29)	(759,317.29)
SC002: PFP: PLFPEI Project - Program Management service-Additional Senior Project Managers	-	794,846.10	794,846.10
SC0#01-PFP: Complete Title Opinion and Registration of the Villiers Toronto Hydro Easement- Budget Extension	326.61	326.61	-
SC0#01-PFP: Utility Relocation Legal Fees for CreateTO Easements- Additional Work (Final Bill)	2,574.96	6,788.20	4,213.24
PFP: Road and Bridge Opening Nov 2023 Event Planning (PR-0760)	5,750.00	5,750.00	-
PFP: Upgrades to Shipping Container at PLFP Visitor's Centre (PR-0766)	12,035.00	12,035.00	-
PFP: AV for PLFP Outreach and Comms during Ontario Culture Days (PR-0762)	2,156.25	2,156.25	-
Total	6,598,961	8,998,907	2,399,946

PLFP Contingency Tracker			
Aug-23	Sep 2022 EAC ESTIMATE	APPROVED AMOUNT	CONTINGENCY DRAWDOWN
SCO116: PLFPEI (USD)- RVPS Bike Bridge Redesign		45,882.47	45,882.47
SCO117: PLFPEI (USD)- Consultant Scope Reallocation	(32,472.00)	(32,472.00)	
SCO44: PFP: PLFPEI Project- Civil Engineering Dry Utilities-Post Approval and Services during Construction (DPM)		427,565.36	427,565.36
SCO75: PLFPEI-Consultant Scope Reallocation	33,210.00	33,210.00	
SCO74: PLFPEI-RVPS Bike Bridge Redesign	-	26,500.00	26,500.00
CO#124-TP16-Additional Pole Anchors –Aecon	-	10,427.41	10,427.41
CO#129-TP16-East Pier Additional Hand Removals –Aecon	20,444.69	20,444.69	-
CO#132-TP16-Hydro Ductbank Erection Premium –Aecon	-	64,899.21	64,899.21
CO#133-TP16-Added Tactile Plates –Aecon	-	4,067.27	4,067.27
TPBR192 Supply of Cherry Street North Insulated Drain Pipe (Fibreglass Solution) CM2023-12	-	27,692.39	27,692.39
CO1016-TP41-Screening Debris Disposal Reconciliation	64,507.65	122,929.63	58,421.98
CO807-TP76-Existing WM Conflict on Commissioners	-	4,453.09	4,453.09
CO910-TP76-CD 30 Lafarge Sanitary Connections	-	61,320.81	61,320.81
CO953-TP188-Sanitary Connection to Cherry BBQ	21,140.00	76,944.32	55,804.32
CO1006-TP76-Commissioners East Unknown Utilities	-	76,043.24	76,043.24
CO1008-TP43-Two Inch Plant Plug Supply Credit	-	(6,474.13)	(6,474.13)
CO1014-TP167-Bell Line Crossing Construction	-	91,094.29	91,094.29
CO1017-TP167-Vac Pond Management Extension July to Sept 2023	-	103,057.50	103,057.50
CO1018-TP143-SWTF Outfall Tremie Pour to Control Water Infiltration	-	129,483.56	129,483.56
CO1025-TP76-Standby Due to Existing MH Leak Commissioners East	-	3,975.79	3,975.79
CO1020-TP82-Streambed Aggregate 1 Additional Install Qty	-	99,428.98	99,428.98
CO1021-TP82-Streambed Aggregate Type 1 Mixing Extension	-	30,983.45	30,983.45
CO1026-TP124-Spillway Bell Duct Investigations	-	11,910.84	11,910.84
CO1027-TP124-CC6567 Asbestos Conduit Removal	-	58,258.28	58,258.28
CO1028-TP167-Inheritance of ST0489	38,751.95	38,751.95	-
CO1029-TP124-Old Cherry Temp Power Switch to Permanent	-	72,135.44	72,135.44
CO1030-TP154-Gate Valve Price Escalations	-	3,965.37	3,965.37
CO1031-TP124-Commissioners Bridge Electrical Material Escalation	63,420.00	62,023.70	(1,396.30)
CO1032-TP149-Don Roadway rigid Inclusion Remobilization	-	37,622.86	37,622.86
CO1034-TP76-Villiers Sanitary Clay Pipe Obstruction	-	77,036.58	77,036.58
CO1035-TP76-VOC and Clearstone on Commissioners at MH112	-	189,673.62	189,673.62
CO1036-TP76-Commissioners East Hydro Duct Bank Crossing	-	61,170.93	61,170.93
SCO43: PFP: PLFPEI Project- Civil Engineering Dry Utilities- 2023 Extension		154,778.10	154,778.10
CO#79R-TP16- Bent 336 Southeast Wingwall Addition- Aecon-Additions	121,437.21	121,437.21	-
CO#119-TP16- Additional Dowels in Concrete- Aecon	-	31,260.78	31,260.78
CO#120-TP16- Additional SE WW Concrete- Aecon	69,498.81	69,498.81	-
Total	399,938	2,410,982	2,011,043

PLFP Contingency Tracker			
Jul-23	Sep 2022 EAC ESTIMATE	APPROVED AMOUNT	CONTINGENCY DRAWDOWN
SCO115- PLFPEI (USD)- Western Microtunnel Settlement Repair	102,683.64	102,683.64	-
SCO114- PLFPEI (USD)-Temporary Art Structures	58,145.67	58,145.67	-
TPBR191 Paving Temporary MT35 Access Road/ Cherry St. Relocation (Bond Paving & Construction) CM2023-11	45,414.16	45,414.16	-
CO758-TP76-3C Concrete Obstruction Removals	8,975.52	37,124.12	28,148.61
CO809-TP76-Commissioners ST WM Adjustments due to New Gas Main	-	5,996.03	5,996.03
CO957-TP39-Abatement of Hydro Ductbank and 3C Obstruction Removal	47,496.82	25,212.62	(22,284.20)
CO958-TP153-Install Cost for New Materials Along New Cherry due to IFCs	-	12,956.88	12,956.88
CO959-TP34-Overwintering 2022.2023 Woody Plant Stock	-	2,747.19	2,747.19
CO979-TP154-Geotextile Liner for LWA East	-	8,627.30	8,627.30
CO980-TP82-Owner Material Mgmt UA1UA2	176,985.14	251,481.29	74,496.16
CO981-TP168-Stair Nosing Premium	-	9,496.49	9,496.49
CO982-TP124-CC15114 Neck Repairs	-	17,233.06	17,233.06
CO983-TP75-Dry Utility Inspection of LSBE and Don Roadway for Break and Tie	-	26,213.60	26,213.60
CO985-TP102-Stone Feature 9 Saw Cutting	-	4,052.12	4,052.12
CO987-TP116-New Cherry Sequencing Changes due to MGT	34,439.81	34,439.81	-
CO988-TP167-Bell Line Crossing Construction	-	1,638.35	1,638.35
CO989-TP82-Crib Wall Inundation	-	102,117.81	102,117.81
CO991-TP124-New Cherry Sequencing Changes due to MGT	-	2,652.67	2,652.67
CO993-TP167-Utility and Road Spoils Disposal	1,155,036.75	1,155,036.75	-
CO994-TP147-Partial Demo of Winch House and Crane Slabs	18,823.85	18,823.85	-
CO995-TP143-SWTF Outfall Sheetpile Night Premium	-	1,691.20	1,691.20
CO996-TP188-Lafarge Sanitary Connection Additional Quantities	-	6,322.97	6,322.97
CO997-TP143-Cellular Concrete Above MH110 to MH111	-	75,205.55	75,205.55
CO998-TP124-OT Premium for Work on Commissioners	63,647.36	63,647.36	-
CO999-TP149-Don Roadway LTP HONI Tower Approach Slab	-	150,978.39	150,978.39
CO1000-TP118-Updated SCADA Programming per SI 057	-	6,141.17	6,141.17
CO1001-TP144-Arc Flash Coordination Study Revision	-	1,500.94	1,500.94
CO1002-TP124-Premium for Installing FRE on the Commissioners Bridge	200,830.00	211,400.00	10,570.00
CO1005-TP33-B&B Tree Unit Increase for 2022.2023.2024	-	10,917.21	10,917.21
CO1007-TP76-Credit to Desclope Cherry BBQ Sanitary Connections	-	(21,140.00)	(21,140.00)
CO1009-TP119-Plan Group Escalation Cost	105,700.00	102,058.71	(3,641.29)
CO1010-TP153-Timing Cards Handwell Adjustment and Electrical Duct HDD	-	14,745.15	14,745.15
CO1011-TP116-Park Bench Colour Revisions - Premium	-	5,840.47	5,840.47
CO1012-TP24-MH116 Caisson	181,804.00	181,804.00	-
CO1013-TP107-ISPS Top Slab Review and SWTF OGS Preventative Maintenance	-	9,845.96	9,845.96
SCO73- PLFPEI-Temporary Art Infrastructure Analysis	12,800.00	12,800.00	-
TPBR35-Package 05 Feeders Relocation Don Roadway & Lakeshore Blvd. E- (Black Mcdonald)) CM2022-28- Dry Utilities Reallocation	-	1,487,882.31	1,487,882.31
CO949-TP167- Movement of Stockpiles	269,336.81	260,290.08	(9,046.74)
CO950-TP167- Dozer for West Plug Excavation (Bell Impact)	-	29,765.12	29,765.12
CO990-TP167- Carp Gate A and B Peat Excavation	-	111,142.71	111,142.71
PFPP: Port Lands Gas Main Relocation- Saulter St. and Villier- Refund Cheque (Internal)	-	(176,490.60)	(176,490.60)
CO880-TP138-Kick Rails West Dockwall	-	24,847.96	24,847.96
CO978-TP145-EW1EW5 Rock Anchor Replacements	90,712.80	90,712.80	-
Total	2,572,832	4,584,003	2,011,171

Purpose	<p>For Committee Information</p> <p>The Park Finishes Dashboard is provided to report on the progress and achievement of project budgets and schedules against the corporation's Long-Term Plan and Capital Project Budgets approved by the Board of Directors.</p>
Areas of note/ Key issues	<p>The Delivery Agreement between Waterfront Toronto and City of Toronto, and the Transfer Payment Agreement between Waterfront Toronto and the Province of Ontario are under negotiation for the Parks Finishes project. The project team has executed a new CCDC5B contract with the Construction Manager, and subsequent trade packages for the scope of work are being transferred from PLFP to this project.</p> <p>The following represents the financial status of the projects as of September 30, 2023:</p> <ul style="list-style-type: none"> • The anticipated total project cost is \$81.1 million. • Current commitments equal \$52.7 million. • \$1.3 million of the project contingency is unallocated and is available for future risks and unknowns.
Resolution or Next Steps	<p>The next Park Finishes Realm Dashboard will be for Q3 2023/2024 and will be provided at the next FARM meeting.</p>

PROJECT NAME: PFP06-04 PARKS FINISHES

PROJECT DIRECTOR: SHANNON BAKER

PROJECT STATUS SUMMARY				
Budget Status				
Approved Budget	Total Commitments	Anticipated Commitments	Estimate at Completion	
\$ 81,100,000	\$ 52,724,110	\$ 28,375,890	\$ 81,100,000	
Remaining Contingency	Contingency Utilization	Cost to Date	Variance to Budget	
\$ 1,258,690	67%	\$ 1,703,819	\$ 0	
Schedule Status				
Percent Complete	Project Start	Construction Start	Substantial Performance	Warranty Complete
2%	01-Jul-23	01-Jul-23	30-Jun-25	30-Jun-27
Project Progress Summary				
The Delivery Agreement between Waterfront Toronto and City of Toronto, and the Transfer Payment Agreement between Waterfront Toronto and the Province of Ontario are still under negotiation. River Park North Badlands Stage 3 mock-up is underway. Layout and grading for the Swing Hill and Owl's Nest is ongoing. Selected the Indigenous Design Features proponents.				

BUDGET AND COST SUMMARY							
Description	Approved Budget	Total Commitments*	Anticipated Commitments	Estimate at Completion**	Cost Incurred to Date*	Variance to Budget	% Complete
Hard Cost	\$ 73,741,827	\$ 49,189,761	\$ 27,117,200	\$ 76,306,961	\$ 1,562,557	\$ (2,565,134)	2%
Soft Cost	\$ 3,496,268	\$ 3,534,349	\$ -	\$ 3,534,349	\$ 141,262	\$ (38,081)	4%
Contingency	\$ 3,861,905	\$ -	\$ 1,258,690	\$ 1,258,690	\$ -	\$ 2,603,215	0%
Total	\$ 81,100,000	\$ 52,724,110	\$ 28,375,890	\$ 81,100,000	\$ 1,703,819	\$ -	2%

*Reflect September 2023 WT PMO Month-End Financial Report. NRHST is not applicable to this project.

SCHEDULE SUMMARY						
Milestone	Baseline*		Forecast**		Actual	
	Start	Finish	Start	Finish	Start	Finish
Project Start	01-Jul-23	n/a		n/a	18-Sep-17	n/a
Engineering & Design (completed under PLFP)	n/a	n/a			n/a	n/a
Construction	01-Jul-23	30-Jun-25		30-Jun-25	01-Jul-23	
River Park North	01-Jul-23	24-Dec-24		24-Dec-24	01-Jul-23	
River Park South	01-Jul-23	24-Dec-24		24-Dec-24	01-Jul-23	
Promontory Park South	01-Jul-23	30-Jun-25		30-Jun-25	01-Jul-23	
Warranty Complete	n/a	30-Jun-27	n/a	30-Jun-27		

* Baseline Schedule: Based on March 2023 Baseline Schedule. ** Forecast Schedule: Based on September 2023 schedule update.

PROGRESS OF WORK AND KEY DELIVERABLES	
Work Accomplished this Period	Work Planned for Next Period
1. Negotiations underway for Delivery Agreement between Waterfront Toronto (WT) and City of Toronto, and the Transfer Payment Agreement between WT and Province of Ontario.	1. Finalize and execute the Delivery Agreement and Transfer Payment Agreement by Oct-23.
2. Procurement: Indigenous Design Feature successful proponents were selected. Parks Lighting Control change order prepared for execution. Awarded Bike Bridges trade package.	2. Procurement: Award the Indigenous Design Feature contracts. Execute change order for Park Lighting Controls.
3. River Park North: Badlands Stage 3 mock-up underway. Layout and Grading for Swing Hill and Owl's Nest is ongoing. Water Feature foundation and installation to be completed in Oct-23.	3. River Park North: Badlands Stage 3 mock-up to be approved, grading and layout to begin in Oct-23. Risk that the shotcrete will be delayed in Spring 2024 given schedule delays this summer/fall.
4. River Park South: Layout and grading at south river view lawn and main park path D commenced. Installation of Stair H is ongoing, stairs and landing to be completed in Oct-23. Planting soil mock up at south river view lawn is ongoing.	4. River Park South: Stair H to be completed in Oct-23. Completion of the planting soil mock up and installation of the first tree in the parks anticipated in Oct-23. Electrical installation to continue. Bike Bridge shop drawings to be received in Oct-23.

Electrical installation is ongoing. Bike Bridge shop drawings are in development.	
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KEY PROJECT RISKS		
High-Level Summary:		
• No major risks.		
Risk Register ID	Risk Description	Mitigation Strategy
1. CNS 40.06	(Risk) Acceleration of Parks Work: There will be cost implications if schedule activities need to be accelerated for the parks to meet the June 2025 deadline. Cost impact assumes contractor overtime premiums.	Accept.
2. CNS 70.91	(Risk) Contractor Coordination in the Parks: Two separate contractors working concurrently in the parks could result in additional coordination between soft and hard landscaping packages, leading to additional cost implications.	Accept.

*Top 5 risks only

KEY ISSUES AND DECISIONS	
Key Issues	
1. Funding agreements (Delivery Agreement and Transfer Payment Agreement) must be executed by Oct-23 to allow for commencement of invoicing for the Parks Finishes work as scheduled.	
Key Decisions	Due Date
1. None.	

*Top 3 only

PHOTOS & ILLUSTRATIONS	
	
River Park South: Stair H and South River View Lawn Soil Placement	River Park North: Badlands Water Features

GENERAL COMMENTS
1. No additional comments.


Legend			
Indicator	Budget Impact	Schedule Impact	Risk & Issues Impact
●	Forecast to complete more than 10% over approved budget	Forecast to complete more than 6 months behind schedule	High likelihood of risks occurring and/or issues flagged will impact schedule/budget
●	Forecast to complete within 10% of approved budget	Forecast to complete 1- 6 months behind schedule	Medium likelihood of risks occurring and/or likely issues flagged are likely to impact schedule/budget
●	Forecast to complete within approved budget	Forecast to complete on schedule or before	Low likelihood of risks occurring and/or issues flagged are expected to be resolved without impact to schedule/budget
Definitions			
Anticipated Commitments (ACM): Unreleased Trade Packages + Unapproved Change Orders + Potential Claims = ACM			
Cost Incurred to Date (CID): What you have paid to date for the work that has been done/completed = CID			
Estimate at Completion (EAC): Given the current performance, what is the expected overall project cost when the project is completed = EAC= TCM + ACM			
Percent Complete: Actual project progress based on Approved Budget and Cost Incurred to Date = CID / EAC			
Project Contingency: Total Contingency allocated for a given project (includes both soft and hard contingency).			
Program Contingency: Allocated Management Reserve for a given project.			
Substantial Performance: Substantial completion date of the project.			
Total Commitments (TCM): Includes: Approved Contracts + Approved Change Orders + Approved Change Directives + Approved Non-Contract Costs = TCM			

Variance to Budget: Difference between the Approved Budget and what you are expecting it to cost at the end = EAC – Approved Budget
Warranty Complete: Warranty end date, calculated as two years from date of substantial performance.

Purpose	<p>For Committee Information</p> <p>The Lake Shore Boulevard East – Bridge and Public Realm (LSBE) Dashboard is provided to report on the progress and achievement of project budgets and schedules against the corporation's Long-Term Plan and Capital Project Budgets approved by the Board of Directors.</p>
Areas of note/ Key issues	<p>The Lake Shore Boulevard East, Bridge and Public Realm Project is proceeding in accordance with the Delivery Agreement executed on June 14, 2021, between Waterfront Toronto and the City of Toronto. Project is forecast to be complete within the approved budget and will be completed in October 2025 in accordance with the revised schedule. The project team is currently in the process of updating the budget and schedule for review with the City to provide a basis for the additional funding and schedule requirements to complete the project as scoped.</p> <p>The following represents the financial status of the projects as of September 2023:</p> <ul style="list-style-type: none"> • The anticipated total project cost is \$190 million, \$2.7 million below the approved budget. • Current commitments are equal to \$139 million. • Costs incurred to date equal \$77.4 million. • \$23 million of the project contingency is unallocated and is available for future risks and unknowns. <p>The key accomplishments for Q2 2023/24 include:</p> <ul style="list-style-type: none"> • Completed dredging of the west spans of eastbound Lake Shore bridge • Completed construction of the Keating Channel dock wall • Installed box girders, completed deck, poured sidewalk parapet wall and approach slabs on eastbound Lake Shore bridge • Completed construction of piers and abutment of Lake Shore utility bridge • Progressed construction of substructure of Lake Shore utility bridge • Completed clean cap on south side of Lake Shore Boulevard, Bouchette to Carlaw • Progressed with road works on Lake Shore Boulevard
Resolution or Next Steps	<p>The next Lake Shore Blvd East – Bridge and Public Realm Dashboard will be for Q3 2023/2024 and will be provided at the next FARM meeting.</p>

PROJECT NAME: PFP08-01 LAKE SHORE BOULEVARD EAST BRIDGE & PUBLIC REALM

PROJECT DIRECTOR: SIMON KARAM

PROJECT STATUS SUMMARY				
Budget Status				
Approved Budget	Total Commitments	Anticipated Commitments	Estimate at Completion	
\$ 192,745,000	\$ 139,027,470	\$ 50,982,845	\$ 190,010,315	
Remaining Contingency	Contingency Utilization	Cost to Date	Variance to Budget	
\$ 23,007,000	37%	\$ 77,445,400	\$ 2,734,685	
Schedule Status				
Percent Complete	Project Start	Construction Start	Substantial Performance	Warranty Complete
41%	29-Apr-20	01-Jun-21	1-Oct-25	1-Oct-27
Project Progress Summary				
Project is forecast to be completed within the approved budget and will be completed in October 2025 in accordance with the revised schedule. Demolition of Gardiner Logan Ramps completed. Bridge construction is in progress. Watermain and storm sewer installation and clean cap work at Boulevard is ongoing.				

BUDGET AND COST SUMMARY									
Description	Due-Diligence Budget	Approved Changes	Approved Budget	Total Commitments*	Anticipated Commitments	Estimate at Completion*	Cost Incurred to Date*	Variance to Budget	% Complete
Hard Cost	\$ 110,300,000	\$ 28,920,000	\$ 139,220,000	\$ 119,969,970	\$ 26,171,809	\$ 146,141,779	\$ 63,296,200	\$ (6,921,779)	43%
Soft Cost	\$ 22,358,000	\$ 3,520,000	\$ 25,878,000	\$ 19,057,500	\$ 1,804,036	\$ 20,861,536	\$ 14,149,200	\$ 5,016,464	68%
Contingency	\$ 27,760,000	\$ (390,000)	\$ 27,370,000		\$ 23,007,000	\$ 23,007,000		\$ 4,363,000	0%
NRHST	\$ 2,827,000	\$ (2,550,000)	\$ 277,000	\$ -	\$ -			\$ 277,000	100%
Total	\$ 163,245,000	\$ 29,500,000	\$ 192,745,000	\$ 139,027,470	\$ 50,982,845	\$ 190,010,315	\$ 77,445,400	\$ 2,734,685	41%

*Reflect September 2023 WT PMO Month-End Financial Report. NRHST included in Hard / Soft Cost.

SCHEDULE SUMMARY						
Milestone	Baseline		Forecast		Actual	
	Start	Finish	Start	Finish	Start	Finish
Project Start	16-Apr-18	12-Jan-24			29-Apr-20	n/a
Engineering & Design	16-Apr-18	15-Jun-22		15-Jun-22	29-Apr-20	
IFC (Completion Date)	n/a	15-Jun-22		15-Jun-22	n/a	
Construction	01-June-21	18-Sep-25		01-Oct-25	01-Mar-22	
Gardiner Ramps Demolition	01-Jun-21	04-Oct-21			01-Jun-21	04-Oct-21
Bridgework: Eastbound & Westbound Lanes	01-Mar-22	15-Apr-25		08-May-25	01-Mar-22	
Roadwork: Stage 1 (South Side) incl: Pre-Stage Traffic Detour	04-Feb-22	10-May-24		09-Aug-24	04-Feb-22	
Roadwork: Stage 2 (North Side) incl: Don Roadway NW Intersection	16-May-23	18-Sep-25	27-Nov-23	01-Oct-25		
Roadwork: Stage 3 (Centre Median)	30-Apr-25	1-Oct-25	30-Apr-25	19-Sep-25		
Warranty Complete	n/a	1-Oct-27	n/a	01-Oct-27		

* Baseline Schedule: Based on March 2023 Baseline Schedule. ** Forecast Schedule: Based on September 2023 draft schedule update.

PROGRESS OF WORK AND KEY DELIVERABLES	
Work Accomplished this Period	Work Planned for Next Period
1. Continued coordination with private utilities through Toronto Public Utilities Coordinating Committee (TPUCC) process.	1. Coordination ongoing with private utilities through TPUCC process.
2. Coordinated with City team to close last set of comments.	2. Continue coordination with City team to close the last set of comments.
3. Storm sewer installation completed (west of HONI line)	3. Storm sewer (existing) cleaning (East of Don Roadway) due to obstructions.
4. Clean cap completed at LSBE (north side) from east of Booth to Carlaw	4. Road construction to start at LSBE (south side) between Bouchette and Carlaw
5. Street lighting and traffic signals underground conduits installation continue.	5. Street lighting and traffic signals underground conduits installation to continue.

PROJECT NAME: PFP08-01 LAKE SHORE BOULEVARD EAST BRIDGE & PUBLIC REALM

6. Eastbound structure parapet wall reinforcement installation was completed, and concrete was poured. Section of the parapet wall over the west approach slab will be installed at a later date.	6. Enbridge to mobilize and install temporary gas main over bridge sidewalk and complete connection.
7. West and east approach slab and sleeper slab reinforcement installation was completed, and concrete was poured.	7. Pier cap reinforcement installation at the west pier, north of the utility structure, to be completed and concrete to be poured.
8. Pier cap reinforcement installation commenced at the west pier, north of the utility structure.	8. Pier cap reinforcement installation at the east pier, north of the utility structure, to be completed and concrete to be poured.
9. Pier cap reinforcement installation was completed and concrete was poured at the center pier, north of the utility structure.	9. Dockwall formwork and reinforcement installation, north of the utility bridge, to be completed and concrete to be poured.
10. Pier cap reinforcement installation commenced at the east pier, north of the utility structure.	10.

KEY PROJECT RISKS

Risk Register ID	Risk Description	Mitigation Strategy
1. UTL_ALT 20.01	(Risk) Unknown Utilities – Lake Shore Blvd (LSB) East: Base cost for utilities include wet utilities of \$5M, and dry utilities of \$10M. Risk that additional funds might be required for the relocation of unknown utilities along LSB.	Mitigate; Team intends to mitigate through ongoing subsurface utility engineering investigations.
2. PSP 30.02	(Risk) New changes resulting from the revised City Release for Construction (RFC) design, which would increase project cost and delays to the project.	Mitigate; Ongoing discussions with City Staff to resolve concerns and mitigate impacts as they arise.
3. CNS 900.11	Risk of operational impacts in the Keating Channel due to the lack of maintenance dredging, which may result in delay and idling claims.	Mitigate; Investigate opportunities to dredge the Keating Channel at an earlier date.

*Top 5 risks only

KEY ISSUES AND DECISIONS

Key Issues

- Pursuant to previous notifications issued to the City late summer and fall 2022, team is working with the City through the budget issues and have prepared (June 2023) a package to provide a basis for the additional funding and schedule requirements to complete the project as scoped.


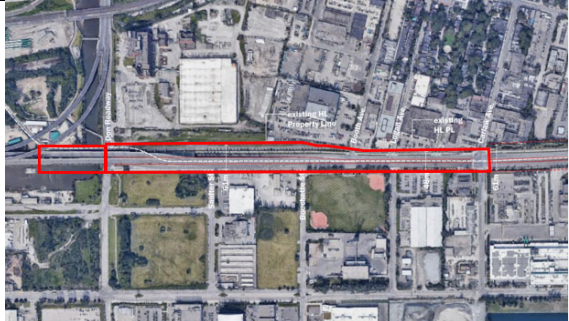
Key Decisions

Due Date

1. The additional project funding commitment is required by December 2023, and the additional funding is required to be available by September 2024

*Top 3 only

PHOTOS & ILLUSTRATIONS

	
Location Map	Project Overview

	
Storm Sewer Installation between Don Roadway and Saulter (East Side of the HONI Line)	Eastbound Structure Parapet Wall Poured
	
Watermain installation between Saulter and Logan	Centre Pier Cap (North of Utility Bridge) Poured

GENERAL COMMENTS
1. No additional comments.

Legend			
Indicator	Budget Impact	Schedule Impact	Risk & Issues Impact
●	Forecast to complete more than 10% over approved budget	Forecast to complete more than 6 months behind schedule	High likelihood of risks occurring and/or issues flagged will impact schedule/budget
●	Forecast to complete within 10% of approved budget	Forecast to complete 1- 6 months behind schedule	Medium likelihood of risks occurring and/or likely issues flagged are likely to impact schedule/budget
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Project Contingency: Total Contingency allocated for a given project (includes both soft and hard contingency).			
Program Contingency: Allocated Management Reserve for a given project.			
Substantial Performance: Substantial completion date of the project.			
Total Commitments (TCM): Includes: Approved Contracts + Approved Change Orders + Approved Change Directives + Approved Non-Contract Costs = TCM			
Variance to Budget: Difference between the Approved Budget and what you are expecting it to cost at the end = EAC – Approved Budget			
Warranty Complete: Warranty end date, calculated as two years from date of substantial performance.			

1. S. 11 of the Procurement Policies requires reporting to the FARM committee of (a) Non-competitive procurements with an amount of \$25,000 or more; (b) contracts awarded in excess of \$5 million; and (c) other information as may be applicable or appropriate from time to time.

Since the last Quarterly Procurement Report, there were the following items for the quarter ending June 30, 2023:

a) Non-competitive procurements with an amount of \$25,000 or more

- *Suite 22* -Various furniture items for new WT Office at T3 Bayside. Contract value: \$53,643
 - For the new WT Office at T3, the architect, WZMH Inc, provided a selection of furniture items. Senior executives visited 4 different vendors (Haworth Limited, Teknion Limited, MillerKnoll, and Suite 22) who were given specific furniture needs for the move to T3. Orders went to the 3 vendors who could best address the needs and staff had input to the chairs they preferred. For the orders placed for Haworth and Teknion, WT was able to leverage the vendor of record program of the Province of Ontario (Ministry of Government and Consumer Services), however Suite 22 order is a single source. WZMH recommended these vendors based on their numerous projects worked with them where they proved to be a reliable company with shorter lead times and a great support in terms of customer services.
- *Jackman Reinvention Inc.* – Villiers Island Placemaking and Narrative Development. Contract value: \$170,000
 - Waterfront Toronto determined that Villiers Island is well-positioned to become a premiere waterfront destination, and an overarching placemaking strategy that maximizes the site's potential would be beneficial to attract development on Villiers Island in the near term. As a first step in the development of the strategy, Jackman Reinvents was engaged to work with Waterfront Toronto to hone a narrative and vision for Villiers Island, test the receptivity of narrative with select stakeholder audiences and prepare a presentation. The advantages considered when engaging Jackman Reinvents were:
 - Recognized Expertise (deep experience in bringing leadership together drive stakeholder-centric strategy development). With 80+ team members headquartered in Toronto, they've worked on diverse engagements across all major industries including real estate, retail, grocery, and environment design with partnerships including Canada Post, Canadian Tire, The Beer Store, Daniel, CCP Investments, Loblaws, and Sycamore Partners. Jackman brings all essential disciplines under one roof: Research, Management Consulting, Brand Strategy & Narrative, All-Channel CX Innovation & Design, Communications, Cultural Ignition, and Rapid Implementation, Scheduled and costs.
 - Schedule: Jackman was available to start performing the services immediately. Their availability supports the need for the completion of the services by October 1, 2023 also, their in-depth knowledge of the Canadian and Toronto market will save a large amount of time that would be used for research by other organizations.

- Cost – the cost provided by Jackman was reviewed and considered in line with the current market costs and therefore considered reasonable.

As a leader in branding, Jackman is known to best understand the consumer needs. Their research helped with the narrative that will resonate with those who would ultimately be the ones to choose to work, live, or play at Villiers.

b) Contracts awarded in excess of \$5 million:

- None.

c) Other Information:

- None.

Regulatory & Operational Compliance Report

(for the period from July 1, 2023 to September 30, 2023)

Finance, Audit and Risk Management Committee Meeting

November 23, 2023

Document/Program	Regulatory Body	Filing Requirements	Status	Compliant	Accountability
Wages, Taxes, Source Deductions and Employment-Related					
Harmonized Sales Tax Filing <i>Directors may be jointly and severally liable with the Corporation for unremitted HST</i>		Monthly; last day of month following month's end	Ongoing: up to date	Yes	Director, Financial Management Accounting
Additional comments:	HST Return filed Oct 31, 2023 for period Sep 1, 2023 to Sep 30, 2023				
Corporate Income Tax Return <i>Directors may be liable for failure to file corporate income tax returns and up to 50% of unpaid taxes</i>	Canada Revenue Agency	Annually; June 30 of each year	Ongoing: up to date	Yes	Director, Financial Management Accounting
Additional comments:	March 31, 2023 CIT Return target filing date Nov 30, 2023 [nil tax liability]				
CPP, EI & Income Tax remittances <i>Directors may be liable for unremitted source deductions</i>	Canada Revenue Agency	Within 3 days of any pay date	Ongoing: up to date	Yes	VP, Human Resources and Administration
Additional comments:	ADP makes the remittances on behalf of Waterfront Toronto				
Workplace Safety and Insurance Board premium remittances <i>Directors may be liable for fines of up to \$25,000 for non-compliance by the Corporation under the WSIA</i>	Minister of Labour	Monthly; 30 th of each month	Ongoing: up to date	Yes	VP, Human Resources and Administration
Additional comments:	Administered in-house				
Employee Health Tax Filing <i>Directors may be liable for failure to make payments under the Act</i>	Minister of Finance	Monthly; 15 th Oct f every month	Ongoing: up to date	Yes	VP, Human Resources and Administration
Additional comments:	Administered in-house				
Employee Wages and Accrued Vacation Pay <i>Directors may be liable for up to 6 months of unpaid wages accrued vacation pay</i>	Employment Standards Act	Semi-monthly	Ongoing: up to date	Yes	VP, Human Resources and Administration
Additional comments:	ADP administers payments; vacation pay accrual recorded in financial statements				

Other Filings – Operational					
Annual business plan to be adopted at least 90 days before the beginning of each fiscal year with updated 5-year plan <i>This is a key governance requirement of the TWRC Act</i>	TWRCA	Annually	Up to date	Yes	Chief Financial Officer
Additional comments:	Current year annual business plan and rolling 5-year strategic plan both adopted December 8, 2022				
Audited Financial Statements and Annual Report to governments within 90 days of the end of each fiscal year <i>This is a key governance requirement of the TWRC Act</i>	TWRCA and Ontario Business Corporations Act	Annually; financial year end is March 31	Audited financial statements and annual report presented to Board by June 30 of each year	Yes	Chief Financial Officer
Additional comments:	March 31, 2023 audited financial statements approved by the Board June 12 2023 with signed copies (English and French) provided to governments on/before June 30, 2023.				
Property Management <i>In the operation of the properties it owns or manages, the Corporation is responsible for various obligations</i>	Landowner's liability (Fire Code Act, Ontario Building Code, Occupier's Liability Act) /Landlord obligations under lease	Inspections are completed according to regulatory requirements and properties are maintained according to a regular maintenance schedule	Ongoing: up to date	Yes	Chief Financial Officer
Additional comments:	<p>Of the six properties owned by the Corporation, one (7 Queens Quay East) is professionally managed by a third-party parking operator (Target Park) and the rest have been turned over for construction as follows:</p> <ul style="list-style-type: none"> • 54 Commissioners St. - Port Lands Flood Protection project (PLFP) Construction Manager for the purpose of material and equipment storage; • 130 Commissioners St. has been demolished and care and control of the property taken over by PLFP through the Construction Manager for construction activities; • 333 Lakeshore Blvd East, 11 Parliament St. and Parliament Slip water lot, are under the care and control of the Quayside municipal infrastructure Construction Manager for construction activities, namely lakefill construction. 				

Lisa Taylor, Chief Financial Officer


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Document/Program	Regulatory Body	Filing Requirements	Status	Compliant	Accountability
Other					
Employee Health and Safety – workplace incidents or injuries <i>Under OHSA, directors may be held responsible for non-compliance and liable for fines of up to \$100,000 and imprisonment for up to 1 year</i>	Occupational Health and Safety Act (“OHSA”)	Report to FARM	Ongoing: up to date	Yes	Chief Project Officer
Additional comments:	Port Lands Flood Protection Project <ul style="list-style-type: none"> No MOL lost time reportable events during reporting period Lake Shore Boulevard East Project <ul style="list-style-type: none"> No MOL lost time reportable events during reporting period Complete Communities <ul style="list-style-type: none"> No MOL lost time reportable events during reporting period 				
Environmental Liability – spills, claims or administrative orders <i>Under the EPA, directors may be held responsible for non-compliance and liable for fines of up to \$4,000,000 and imprisonment for up to 5 years</i>	Environmental Protection Act (“EPA”)	Report to FARM	Ongoing: up to date	Yes	Chief Project Officer
Additional comments:	Port Lands Flood Protection Project <ul style="list-style-type: none"> There were no spills reportable to either MECP or the City of Toronto during the reporting period. Lake Shore Boulevard East Project <ul style="list-style-type: none"> There were no spills reportable to either MECP or City of Toronto during the reporting period. Complete Communities <ul style="list-style-type: none"> There were no spills reportable to either MECP or City of Toronto during the reporting period. 				

David Kusturin, Chief Project Officer

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Document/Program	Regulatory Body	Filing Requirements	Status	Compliant	Accountability
Other					
Claims <i>In its projects and other operations, the Corporation is exposed to claims in the usual course of business</i>	None	Report to FARM	Ongoing: up to date	Yes	General Counsel
Additional comments:	<p>All existing claims which have proceeded to formal litigation against the Corporation are being defended by insurers under project insurance or the Corporation's corporate insurance program. The Corporation is not aware of any facts which would lead us to believe that the liability, if any, of the Corporation in respect of such claims would exceed the insurance coverage available.</p> <p>The Corporation has been made aware of one claim for a material amount less than \$5 million. Based on initial review and investigation, the Corporation does not believe the potential liability of the Corporation under this claim is in excess of \$1 million. This potential liability has been noted in the Corporation's financial statements as a Contingent Liability. The Corporation has also been named as defendant in a claim brought by a subcontractor on the Port Lands Flood Protection Project. The Corporation disagrees that it is liable for amounts claimed by the subcontractor, has filed a defence and has also commenced a counter claim in respect of property damage caused by the actions of the sub contractor. The Corporation believes it has valid and strong defences to the claims brought against it, but the matter is at a preliminary stage only.</p>				
Privacy Breach <i>Breaches of personal information arising from the operations of the Corporation will be reported to the Board</i>	Canadian Privacy Principles	Report to FARM	Ongoing: up to date	Yes	General Counsel/Privacy Officer
Additional comments:	No breaches have been reported.				

Ian Ness, General Counsel

DocuSigned by:

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Finance, Audit & Risk Management Committee Meeting
November 23, 2023
Item 4f) Environmental, Social, and Governance (ESG) Update
Lisa Taylor

In accordance with the TWRC Act, WT's mandate is to enhance the economic, social, and cultural value of the designated waterfront area in a fiscally and environmentally responsible manner. ESG is embedded in Board committee mandates, strategic plans, and annual reports (aligned with leading international frameworks – Global Reporting Index, UN Sustainable Development Goals). This update is to provide advancements in specific areas of ESG in the past quarter (note: not exhaustive).

Topic	Q2 2023/24 Update	Oversight
Governance	Regular ESG Updates to Board <ul style="list-style-type: none"> Quarterly "ESG Update" standing agenda item for Board and Committees effective June 2022. WT's first annual Climate Action Plan presented to Board Q4 2022/23 	Board
	Internal ESG Awareness <ul style="list-style-type: none"> Conducted an ESG awareness session with senior management team on June 29, 2023, focusing on the role of governance, reporting and industry best practices in ESG. Presented ESG awareness and Climate Action Plan (CAP) session to all-staff Townhall on October 18, 2023, focusing on promoting cross-functional collaboration and internal capacity-building. 	Board
Environment SDGs supported: <div style="display: flex; flex-direction: column; align-items: flex-start;"> <div style="background-color: #f9c94d; padding: 5px; margin-bottom: 5px; text-align: center;"> 7 <small>AFFORDABLE AND CLEAN ENERGY</small>  </div> <div style="background-color: #f9c94d; padding: 5px; margin-bottom: 5px; text-align: center;"> 11 <small>SUSTAINABLE CITIES AND COMMUNITIES</small>  </div> <div style="background-color: #2e8b57; color: white; padding: 5px; text-align: center;"> 13 <small>CLIMATE ACTION</small>  </div> </div>	Climate Action Plan (CAP) Following recommendations from the 2022 Task Force on Climate-related Financial Disclosures (TCFD) assessment by PwC, including adoption of TCFD in WT's Integrated Annual Report starting 2022, continue to implement 5-year strategy for CAP (updated in Q2 2023/24), focused on: <ol style="list-style-type: none"> Governance: regular updates to senior management and the Board Strategy: currently focused on low-carbon procurement and construction Risk management: continuing to assess and manage responses to identified climate risks Metrics and targets: exploring a net-zero target and action plan 	Board
Social SDGs supported: <div style="background-color: #e31a1c; color: white; padding: 5px; text-align: center; margin-top: 10px;"> 5 <small>GENDER EQUALITY</small>  </div>	Diversity, Equity & Inclusion (DE&I) Strategy <ul style="list-style-type: none"> Implementation of DE&I Strategy recommendations from MNP remain underway. Adopted a DE&I affirmation statement, WT purpose statement and organizational values in support of a people-first DE&I strategy. Statements were published in the 2022/23 IAR. Following the staff needs assessment surrounding training for DE&I, provided the first DE&I Fundamentals training to all staff on September 13, 2023, with additional training sessions to come. 	HRGSR

<div>10 REDUCED INEQUALITIES</div> <div>11 SUSTAINABLE CITIES AND COMMUNITIES</div> <div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div>	Accessibility Strategy <ul style="list-style-type: none"> Launched inaugural draft Waterfront Accessibility Design Guidelines for public comment. The Guidelines build on the AODA and Toronto Accessibility Design Guidelines to guide public realm design and enhance the accessibility of waterfront areas. Forming a new Waterfront Accessibility Advisory Committee to support implementation of the Guidelines and review future public realm projects early in the design process. Completing an Accessibility internal audit to assess WT's compliance with AODA and IASR (Integrated Accessibility Standards Regulation) requirements this fall. 	Board
	Public Art <ul style="list-style-type: none"> Design development and community engagement underway for Indigenous permanent public artwork at the King/Queen Triangle in the West Don Lands. 	Board
	Ongoing Engagement with Indigenous Treaty Holders <ul style="list-style-type: none"> Continued engagement with the Mississaugas of the Credit First Nation (MCFN) and Indigenous advisors to inform project plans and delivery approaches, including for Quayside, the Waterfront East LRT Project, the Keating Channel Pedestrian Bridge, and Port Lands Flood Protection. 	Board

November 23, 2023

Port Lands Flood Protection Program Update

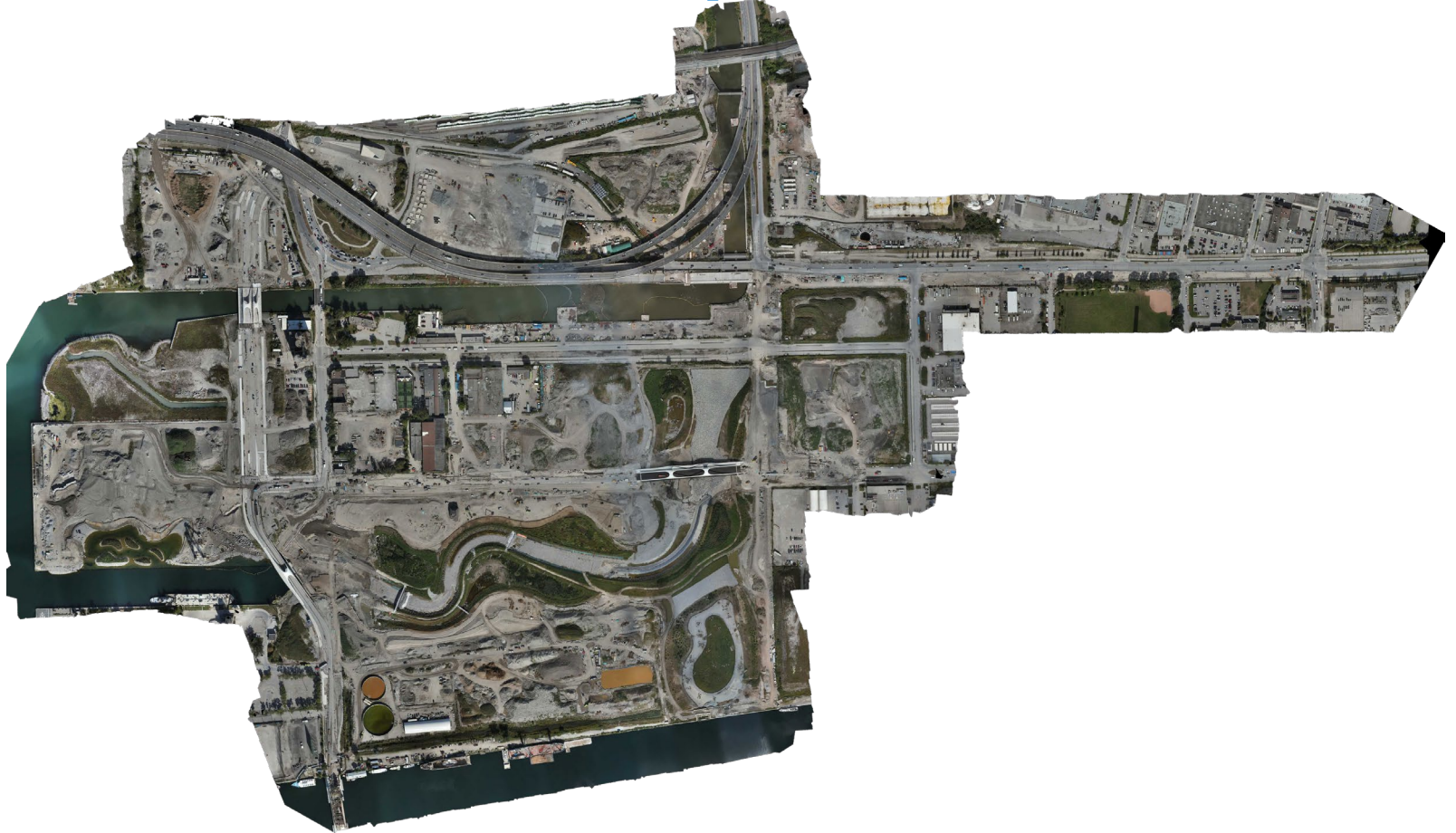
Presentation to the Finance, Audit and Risk Management Committee



All text information and images are confidential and cannot be shared.

Progress on Site

Port Lands Flood Protection: Construction Update

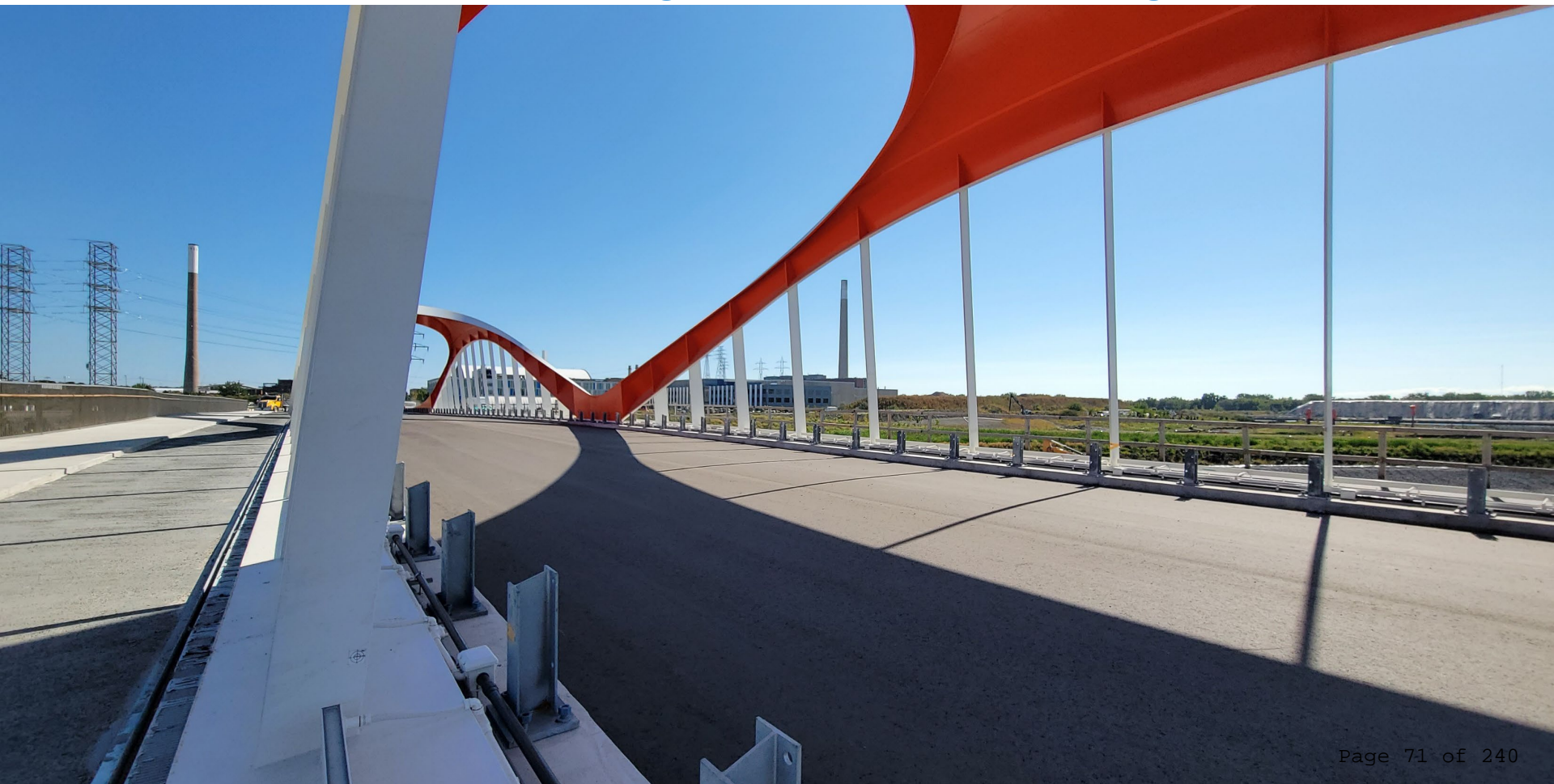




Port Lands Flood Protection: Plantings



Port Lands Flood Protection: Paving Commissioners Street Bridge



Port Lands Flood Protection: Lake Shore Bridge



Port Lands Flood Protection: River Park North Play Equipment



Port Lands Flood Protection: Canoe Cove Island Plantings



Port Lands Flood Protection: West Plug Excavation



Port Lands Flood Protection: Cherry Street



Port Lands Flood Protection: Promontory Park South and Canoe Cove



Port Lands Flood Protection: River Valley “Elbow”



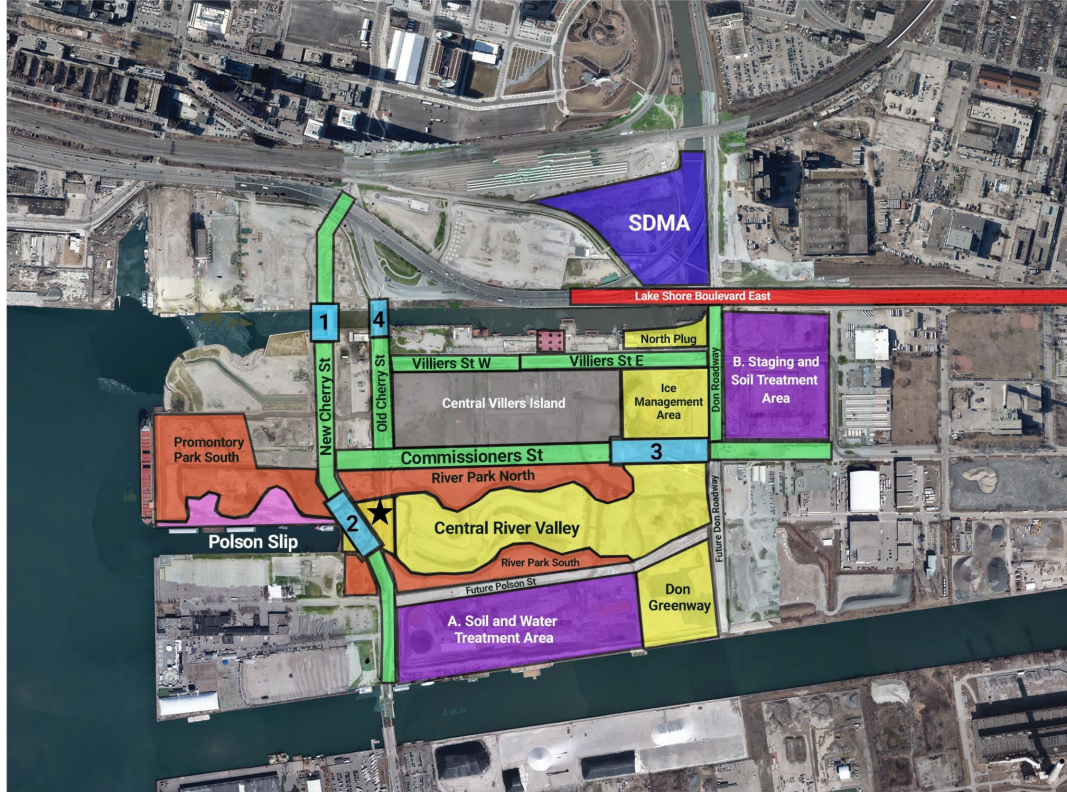
Port Lands Flood Protection: Wetland Carp Gate



Port Lands Flood Protection: Planting near the Fire Hall



Port Lands Flood Protection: Fall Construction Schedule



October-December 2023

Roads

- **New Cherry St between Lake Shore Boulevard and Commissioners Street:** open to vehicles, cyclists & pedestrians, install utilities, ground improvements, installation of green infrastructure, road base, and paving
- **Commissioners St:** open to vehicles, cyclists & pedestrians, install utilities, ground improvements, paving, installation of green infrastructure
- **Villiers St:** Close roadway east of Munition Street, create cul-de-sac just east of Munition Street
- **Don Roadway & Future Don Roadway:** ground improvements, dockwall installation

Bridges

- **1 Cherry St North Bridge:** Open to vehicles, cyclists & pedestrians, install railings, light poles, and traffic barriers
- **2 Cherry St South Bridge:** Complete lighting installation
- **3 Commissioners St Bridge:** Open to vehicles, cyclists and pedestrians, utility work, install benches, railings, light poles and traffic barriers
- **4 Old Cherry Street Bridge:** Prepare for demolition and removal

Parks

- **Promontory Park South:** excavation, structural fill placement, park facilities infrastructure
- **River Park North:** surcharging, structural fill placement, park facilities infrastructure, play structure installation
- **River Park South:** surcharging, structural fill placement, park facilities infrastructure

River Valley

- **Central River Valley:** planting, install river finishes and dewatering. West plug (★): liner and river finish installation, dewatering
- **Ice Management Area:** install wetland habitat features and dewatering, placement of chinking stone
- **North Plug:** subcontractor mobilization, site preparation
- **Don Greenway:** dewatering, install habitat features, planting, flooding, carp gate construction

Polson Slip Naturalization

- Canoe Cove Islands planting and stone finishes

Staging and Treatment Areas

- **A:** Water treatment and soil stockpiling and staging
- **B:** Soil stockpiling and staging

Sediment & Debris Management Area (SDMA)

- Dredging and dockwall works, and wet utility installation

Central Villiers Island

- Fill placement, temporary soil stockpiling and construction staging

Utility Connection

- Electrical and mechanical works for the Interim Sanitary Pumping Station (ISPS) and Stormwater Treatment Facility (SWTF)

Lake Shore Boulevard East Project

- Complete eastbound bridge and open to traffic
- Close westbound bridge and mobilize contractor to begin demolitions
- Utilities and roadwork on south side of Lake Shore Boulevard, Don Roadway to Carlaw
- Ongoing utility bridge work

Work Accomplished This Period: Q2 2023-2024 – July 1 to September 30, 2023



Overall Program Update

General	<ul style="list-style-type: none"> Confirmed Parks and Public Realm Finishes related scope, cost, and risks for separated reporting on Estimate at Completion (EAC), program schedule and risk Prepared monthly updates and assessed progress of cost, schedule, and risk against the Q2 2022/23 (September 30, 2022) budget Prepared Interim Cost and Risk Update, August 31, 2023, with presentations to: <ul style="list-style-type: none"> IGSC September 15, 2023 FARM September 21, 2023 ESC September 27, 2023 Start preparation of Semi-Annual Cost and Risk Update for the end of Q2, September 30, 2023 Prepare quarterly presentations for Board and FARM meetings
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Construction Procurement*:

Awarded*:	99.2 %	\$ 1079.4 M
In Progress:	0.5 %	\$ 5.2 M
Not Started:	0.3 %	\$ 3.8 M

Work Planned Next Period: Q3 2023-2024 – October 1 to December 31, 2023



Overall Program Update

General	<ul style="list-style-type: none"> ▪ Complete and present Semi-Annual Cost and Risk Update for the end of Q2, September 30, 2023, with presentations as follows: <ul style="list-style-type: none"> ▪ ESC November 14, 2023 ▪ FARM November 23, 2023 ▪ Prepare monthly updates and assess progress of cost, schedule, and risk against the Q2 2022/23 (September 30, 2022) budget ▪ Prepare quarterly presentations for Board and FARM meetings
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Construction Procurement*:

Awarded:	99.5 %	\$ 1,083.2 M
In Progress:	0.2 %	\$ 2.0 M
Not Started:	0.3 %	\$ 3.8 M

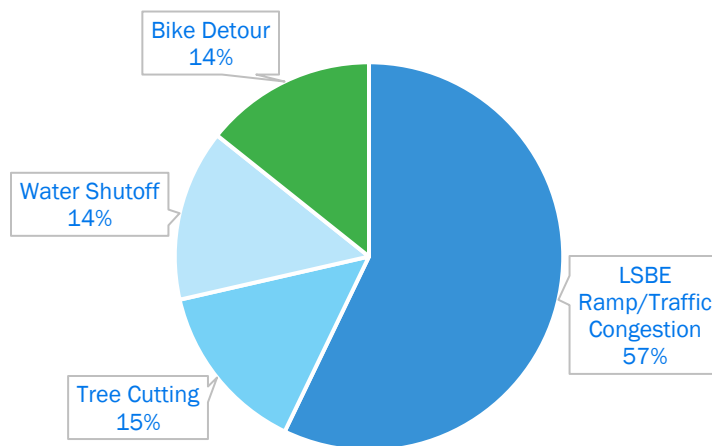
* Note: Includes Construction Procurements only

Complaints Tracking – PLFP

Report Period: July-September 2023

- 7 complaints total
- 4 complaints about the removal of the Gardiner Ramps

Complaints (7 total, LSBE + PLFP)



Engagement with Indigenous Communities



Updates July to September 2023:

- Indigenous art/design review process continues for PLFP Public Realm
- Designer concepts for Indigenous Carvings on Lake Shore Blvd Bridge received and under review
- MCFN FLRs invited to participate in fisheries monitoring starting September 15th
- Initiate relationship development between WT and Six Nations
- Continued discussions with MCFN on Indigenous Design for the Destination Playground

Next Steps

- Finalize selection process for Indigenous art/design for PLFP Public Realm
- Select designer for Indigenous Carvings on Lake Shore Blvd Bridge and kick-off meeting August 2023
- Continue to advance relationship development opportunities between WT and Six Nations
- Continue outreach with MCFN regarding potential FLR involvement in monitoring opportunities
- Continue discussions with MCFN on Indigenous Design for the Destination Playground

Communications and Public Engagement



Photos:
Ontario Culture Days,
viewing platform
activation

FALL 2023

- West plug excavation
- Flooding the Don Greenway

WINTER 2023

- Cherry North, Commissioners Street Bridges open
- Commissioners Street opens

- Viewing platform activation
- Promotional videos

- Bridge/road openings (media event TBC)

Thank you.

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Purpose	For Information
Areas of note/ Key issues	<p>The Semi-Annual Cost Estimate Update is a key component of the Corporation's project risk management and governance framework. The purpose of this report is to provide a status update on the budget and schedule for the PLFP Project at September 30, 2023.</p> <p>The program schedule was rebaselined with a data date of February 28, 2023. The revised schedule reflects achievement of flood protection and PLFPEI Substantial Completion by December 31, 2024. Limited weather dependent finishes in Promontory Park will continue with completion scheduled for June 30, 2025</p> <p>The budget for the PLFP Project is revised to \$1.354B to meet originally defined scope, broken down as \$1,272.9M for PLFPEI and \$81.1M for Parks Finishes. The overall increase in the Construction Cost Estimate (Hard Costs) is \$10.2 M (0.95%) from the March 2023 (Q4 2022/23) forecast. The forecasted Soft Cost is \$1.3M (0.6%) lower than in March 2023 (Q2 2022/23).</p> <p>There is approximately \$4.1 million decrease in the expected value of project risks since the last update based on the changes to the risk register (realized, retired, and adjusted risks). Based on the quantitative risk analysis there is a 95.4% probability that the PLFP project will not exceeding the target budget (\$1,354 million).</p> <p>The Semi-Annual Construction Cost Forecast, Risk Update and Quantification process allows Waterfront Toronto to complete the design process and regularly reassess construction risk, to ensure that the likelihood of achieving the program budget remains high as risks are realized and retired throughout the life of the project.</p>
Resolution/Next Steps	The next Semi-Annual Cost Estimate Update will be completed at the end of Q4, March 31, 2024

Port Lands Flood Protection and Enabling Infrastructure Semi Annual Cost Estimate Update September 30, 2023

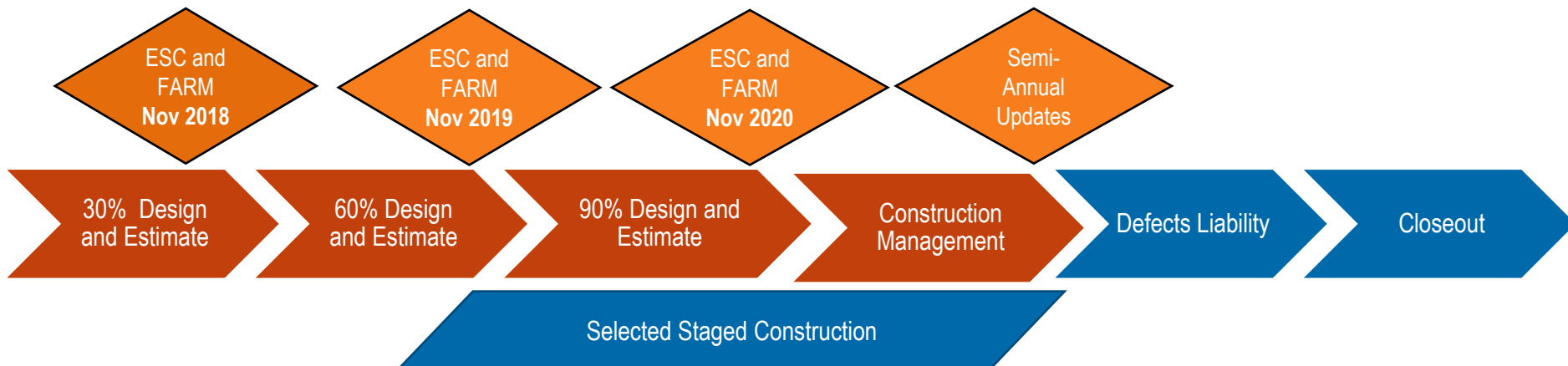
**Presentation to the Finance, Audit and Risk Management Committee
November 23, 2023**

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6. Soft Cost Estimate Variance
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8. Changes to Risk Register
9. Cost Risk Analysis
10. Top Risks

Process

- 30% Stage Gate design and cost estimates provided to Executive Steering Committee on November 21, 2018
- Project Charters and budgets developed from 30% cost estimates; executed April 2019
- 60% Stage Gate design and cost estimates provided to Executive Steering Committee (ESC) on November 12, 2019. ESC approved of the 60% Stage Gate Estimate at Completion
- 90% Stage Gate finalized, presented and approved at the ESC (December 9, 2020), Finance and Risk Management Committee (FARM) (November 26, 2020) and WT Board of Directors (December 10, 2020)
- Semi-Annual Cost Updates will be provided to the ESC, FARM and WT Board of Directors



Current Status - Program

Project Budget

- **Revised program budget is \$1.354B** to meet originally defined scope, broken down as \$1,272.9M for PLFPEI and \$81.1M for Parks Finishes
- Additional funding of **\$169M** (includes \$63M in contingency) was confirmed as follows:
 - Amendment to the existing Delivery Agreement for PLFPEI signed June 1, 2023
- **\$87.9 M**
 - Funding for Parks Finishes secured through Investing in Canada Infrastructure Program (ICIP), Agreement to be executed end of October 2023 - **\$81.1M**

Project Schedule

- Project schedule re-baselined, Rev 03, data date of February 28, 2023
- Most recent Schedule Update #68, Key milestones remain as follows:
 - Achievement of flood protection and PLFPEI Substantial Completion is December 31, 2024
 - Limited seasonally dependent work (planting and asphalt paths) to be completed in Promontory Park South in June 30, 2025

Current Status – Program (Cont'd)

Project Risks

- Quantitative Risk Analysis completed utilizing updated Estimate at Completion and re-baselined schedule as of August 31, 2023, and September 30, 2023

Procurement

- Construction hard cost procurement status as of September 30, 2023
 - Awarded: 99.2%
 - In Progress: 0.5 %
 - Not Started: 0.3 %

Current Status – Earthworks, Marine and Parks



Design

- Design elements completed for all Earthworks and Marine components
- Advanced wayfinding and signage design for the parks
- Advanced public park Wi-Fi design

Construction

- Completed installation of underdrain and barrier layers, commenced placement of river finishes at west plug
- Completed placement and compaction of low permeability Flood Protection Landform material on Don Roadway, Villiers to Commissioners
- Progressed installation of river finishes in Central River Valley, Spillway, Elbow and Ice Management Area
- Completed placement of armour stone and stream bed materials below Commissioners bridge
- Completed placement of armour stone revetment along dock wall west of Atlas Crane in Canoe Cove
- Completed plantings and installation of irrigation system in Canoe Cove
- Progressed with placement of revetment in Keating Channel at north plug
- Progressed with earthworks including surcharge, surcharge removal, placement of cap standard fill and fine grading in River Parks North and South as well as Promontory Park South
- Progressed with installation of wet utilities in River Parks North and South
- Completed demolition of Atlas Crane Winch House
- Completed construction of mechanically stabilized earth (MSE) walls for Promontory Park overlook

Current Status – Bridges

Design

- Progressed design of Toronto Hydro feeder relocation for Lake Shore Bridge – Issued for Construction (IFC) civil design, electrical IFC to be issued end of October
- Obtained approval and advanced procurement of Quad Guard attenuators for Cherry North vehicular and Commissioners Street bridges

Construction

- Completed approach slabs, sidewalk and curbs for both Cherry North bridges
- Completed installation of lighting conduits and fixtures on Cherry North vehicular, Cherry South and Commissioners bridges
- Completed paving and waterproofing on Commissioners bridge
- Progressed paint repairs and touch ups on Cherry North, Cherry South and Commissioners bridges
- Completed dredging of west spans of eastbound Lake Shore bridge
- Completed construction of Keating Channel dock wall
- Installed box girders, completed deck, poured sidewalk parapet wall and approach slabs on Lake Shore bridge
- Completed construction of piers and abutment of Lake Shore utility bridge
- Completed road crossings for Enbridge temporary NPS 20 gas main

Current Status – Roads and Services

Design

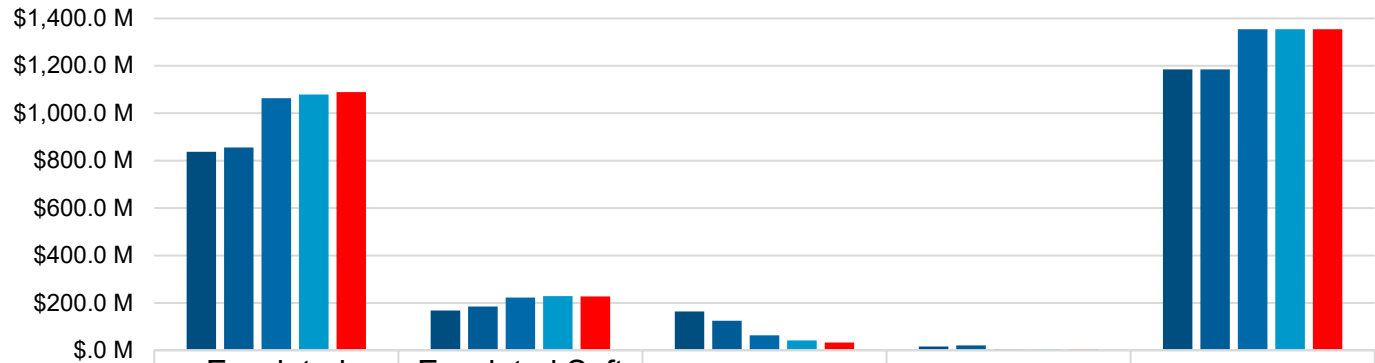
- Finalized and circulated for approval Issue for Construction (IFC) drawing packages for Storm Water Treatment Facility (SWTF) and Interim Sanitary Pumping Station (ISPS)
- Issued IFC drawings for traffic control at all intersections and pedestrian crossings for PLFP
- Finalized and obtained approval for the final design of the Villiers Street closure (east of Munitions Street)
- Issued IFC for the interim opening of Commissioners Street
- Advanced design for the decommissioning of the electrical feeder at Don Roadway and Lake Shore

Construction

- Completed concrete walls and progressed installation of pumps, piping, valves, and accessories for OGS1
- Completed concrete works and progressed with mechanical and electrical works on the Interim Sanitary Pumping Station (ISPS)
- Completed concrete walls, roof, outfall cofferdam and excavation at the Storm Water Treatment Facility (SWTF)
- Completed construction of wet utilities within the vehicular section of Commissioners Street
- Completed cabling and commissioning of Spillway and future Polson crossing for THESL and telecom utilities
- Completed majority of the duct banks, conduits and installed electrical cables for THESL on Commissioners Street
- Progressed planters, curbs, sidewalks and base asphalt along full length of Commissioners
- Completed construction of ground improvements, Load Transfer Platform (LTP), wet utilities and backfill on Don Roadway, Commissioners to Villiers
- Completed planters, curbs, majority of sidewalk and base asphalt along full length of Cherry Street
- Progressed permanent works at Cherry / Polson intersection to south limit of project

PLFP – September 30, 2023 - EAC Forecast

**Port Lands Flood Protection
September 30, 2023 Estimate at Completion (EAC) Forecast**



	Escalated Hard Costs	Escalated Soft Costs	Contingency	NRHST	Total
■ Due Diligence	\$837.2 M	\$167.8 M	\$164.0 M	\$16.0 M	\$1,185.0 M
■ 30% Design	\$855.4 M	\$184.6 M	\$124.5 M	\$20.5 M	\$1,185.0 M
■ September 2022 - Budget	\$1,063.7 M	\$222.3 M	\$63.0 M	\$5.0 M	\$1,354.0 M
■ March 2023 Forecast	\$1,078.8 M	\$228.5 M	\$41.7 M	\$5.0 M	\$1,354.0 M
■ September 2023 Forecast	\$1,089.0 M	\$227.2 M	\$32.8 M	\$5.0 M	\$1,354.0 M

- **The Forecast EAC remains \$1.354 B**
- Forecast construction hard cost has increased 25.3M since September 30, 2022 (Q2 2022/23) and \$10.2M from the March 31, 2023 (Q4 2022/23) estimate
- Soft cost estimate is \$4.9M higher than the September 30, 2022 (Q2 2022/23) estimate and \$1.3M lower than the March 31, 2023 (Q4 2022/23) estimate

Q4 2022/23 Construction Cost Estimate Variance



The overall increase in the Construction Cost Estimate (Hard Costs) is \$10.2 M (0.9%) from the March 2023 (Q4 2022/23) Forecasted EAC.

Major Variances from Q2 2022/23 Forecast by segment are summarized as follows:

Program Segment	Due Diligence	30% Stage Gate: Program Budget	September 2022 Budget	March 2023 Forecast	September 2023 Forecast	Variance: March 2023 to September 2023 EAC Forecast	
						\$	%
Roads and Services	\$ 188.0 M	\$ 136.0 M	\$ 235.7 M	\$ 237.4 M	\$ 244.4 M	\$ 7.0 M	2.9 %
Earthworks, Marine and Parks	\$ 604.3 M	\$ 577.3 M	\$ 686.1 M	\$ 689.4 M	\$ 684.4 M	-\$ 5.0 M	-0.7 %
Bridges	\$ 114.9 M	\$ 142.1 M	\$ 141.8 M	\$ 152.0 M	\$ 160.2 M	\$ 8.2 M	5.4 %
Escalated Construction Cost Estimate	\$ 837.2 M	\$ 855.4 M	\$1,063.7 M	\$ 1,078.8 M	\$ 1,089.0 M	\$ 10.2 M	0.9 %

September 2023, Construction Cost Estimate Variance - Breakdown

As compared to the March 2023 forecast, construction costs have increased by \$10.2M. A breakdown of the variance is provided as follows:

Total Variance September 2022 vs March 2023	\$10.2 M
General Conditions	\$ 6.8 M
Construction Manager and Consultant staff costs additional due to schedule extension	\$ 7.8 M
Increased overhead costs due to schedule extension	\$ 3.5 M
Deletion of Post Construction Services Allowance now reflected in staffing above	(-\$ 0.8 M)
Optimization of Trade Packages	(- \$ 3.7 M)
CM Fees – Negotiated fee reduction	(-\$ 2.1 M)
Insurance – Increase in construction costs and market rates	\$ 1.0 M
Bridges	\$ 6.8 M
Dredging of new bays Lake Shore Bridge (previously carried under SDMA)	\$ 8.5 M
Quad Guards for Cherry North and Commissioners Bridges	\$0.4 M
Lake Shore Bridge, changes to contract	(-\$ 2.2 M)
Roads	\$ 6.3 M
Wet Utilities – subgrade and groundwater issues between MH110 and MH112 on Commissioners Street	\$ 2.1 M
Enbridge – direct pay by WT, relocation of Villiers gas main to Villiers Street	\$ 1.9 M
Additional costs for installation of dry utilities, THESL etc	\$ 0.6 M
Additional costs for management of roads and utilities spoils	\$ 0.5 M
Additional dewatering costs for installation of THESL assets	\$ 0.5 M
Additional costs for surcharging Enbridge gas line	\$ 0.4 M
Construction of retaining wall at HONI tower	\$0.3 M

September 2023, Construction Cost Estimate Variance – Breakdown (Cont'd)

Earthworks and Parks	(-\$ 8.6 M)
Maintenance Dredging Keating Channel	\$ 2.4 M
Increased cost - revetment and riverbed stone	\$ 2.2 M
Reconciliation of excavation and backfilling costs	(-\$ 0.4 M)
Soil management - utilities	(-\$ 0.6 M)
Reconciliation of water treatment costs including power supply	(-\$ 1.0 m)
Site Prep and Demo – contract reconciliation	(-\$ 1.0 M)
Spoils Management	(-\$ 1.2 M)
Dredging of Lake Shore Bridge bays, scope transfer from SDMA to Lake Shore Bridge	(-\$ 9.0 M)
Total	\$ 10.2 M

Contingency Drawdown

	Hard Cost	Soft Cost	Contingency Balance
New Budget with Additional Funding	\$ 1,063,675,276	\$ 222,312,752	\$ 63,011,970
March 2023	\$ 1,075,102,215	\$ 222,460,597	\$ 51,437,187
April 2023	\$ 109,794	\$ -	\$ 51,327,393
May 2023	\$ 5,506,336	\$ (9,987)	\$ 45,831,044
June 2023	\$ 3,893,684	\$ 195,631	\$ 41,741,729
July 2023	\$ -	\$ 2,011,171	\$ 39,730,458
August 2023	\$ 2,061,182	\$ 1,357,851	\$ 36,311,426
September 2023	\$ 2,943,070	\$ 52,621	\$ 33,315,735
September 2023 Actual EAC	\$ 1,092,329,044	\$ 223,355,221	\$ 33,315,735

September 2023 Soft Cost Estimate Variance

Soft Cost EAC Forecast is \$1.3M (0.6%) lower than forecasted in March 2023 (Q2 2022/23)

Major Variances from Q2 2022/23 Forecast is driven by:

- A correction to the Builders Risk and Wrap Up Liability Insurance Extension **-\$2.3 M**
- Increase in Contract Administration costs related to schedule extension **\$1.0 M**

Major Variances from March 2023 (Q2 2022/23) by segment are summarized as follows:

Program Segment	Due Diligence	30% Stage Gate: Program Budget	September 2022 Budget	March 2023 Forecast	September 2023 Forecast	Variance: March 2023 to September 2023 EAC Forecast	
						\$	%
Roads and Services	\$ 23.9 M	\$ 22.0 M	\$ 31.5 M	\$ 35.1 M	\$ 33.8 M	-\$ 1.3 M	-3.8%
Earthworks, Marine and Parks	\$ 120.4 M	\$ 131.3 M	\$ 159.3 M	\$ 161.6 M	\$161.4 M	-\$ 0.2 M	-0.1%
Bridges	\$ 23.5 M	\$ 31.0 M	\$ 31.2 M	\$ 31.8 M	\$ 32.0 M	\$ 0.2 M	0.6%
Escalated Soft Cost Estimate	\$ 167.8 M	\$ 184.6 M	\$ 222.0 M	\$ 228.5 M	\$ 227.2 M	-\$ 1.3 M	-0.6%

Changes to Risk Register

- Compared to the previous analysis update, there is approximately **\$4.1 million** decrease in cost impact expected value and **5.8 months** of increased schedule risk, after implementing risk mitigation strategies
- The sum of schedule risks does not accurately represent potential schedule delays since it assumes all delays are cumulative and on the critical path. As a result, the schedule risks reported do not account for the ability to continuously adjust the schedule by accelerating and re-sequencing work

Stage Gate	Cost Impacts		Schedule Impacts	
	Pre-Mitigated	Mitigated	Pre-Mitigated	Mitigated
Current Analysis (September 2023)	\$24.7 M	\$20.8 M	15.7 mo	13.9 mo
Previous Analysis (March 2023)	\$27.6 M	\$24.9 M	9.9 mo	8.2 mo
Variance	(\$3.0) M	(\$4.1) M	5.8 mo	5.7 mo

Values reflect probability-adjusted high estimates from the risk register.

Changes to Risk Register

Changes to Cost Risks

- **19** cost risks and **4** cost opportunities have been retired since the March 2023 update, resulting in a **\$3.1 M** decrease in expected value of the cost impact. Top retired risks and opportunities are:
 - CNS 50.37 Additional dewatering for wet utilities in the parks: 30% probability with \$0.5M - \$1.5M in cost impact (EAC increased from \$600K to \$800K)
 - CNS 70.49: Oppo SDMA dockwall stone reuse: 75% probability with -\$170K to -\$690K impact (opportunities realized)
 - CNS 900.60 Oppo Steel Tonnage Reconciliation: 95% with -\$600K impact (reconciled in the EAC)
- **16** risks and **2** opportunities have been added since the March 2023 update, resulting in **\$4.1 M increase** in expected value of the cost impact.
- Changes made to existing risks account for **\$5.0 million decrease** in expected value of cost impact.
 - CTR 50.01 External market forces (escalation risk): Expected Value (EV) decreased by \$5 million
 - FCCO 13: Sub-contractor – Costs in Excess of Estimate: EV decreased by \$1.43 M
 - CNS 50.34 Additional SDMA dredging during construction: EV decreased by \$0.83 million

There have been additions and changes made to **sub-contractor claim risks**, explaining some of the changes in risk profile

Cost Risk Analysis

Comparison to Previous Update

- Project Partners have provided an additional \$169 million funding to supplement the original \$1,185 million budget, for a new target budget of **\$1,354 million**.
- Since the previous analysis update, the cost estimate at 90th percentile has increased by \$65K to **\$1,350 million**.
- There is a **95.4%** chance of project not exceeding the target budget (\$1,354 million). The percent chance of not exceeding target budget was 95.4% in the March 2023 update.
- Results **include** extended overhead / delay costs in the EAC which has accommodated costs associated with the schedule extension.



Note: Risk analysis results do not account for unknown unknowns that may impact the project budget.

Cost Risk Analysis

- Current base costs increased by **\$8.9 million** compared to the previous update
- Expected value of the risk cost impact decreased by **\$4.1 million** compared to the previous update. This can be explained by the following reasons
 - Reduction in the risk profile
 - Committed hard and soft costs increased by \$72.5M > lesser uncertainty around base cost
- Risk-adjusted cost estimate at the 90th percentile nominally increased by **\$65 thousand**

	Due Diligence	30% SG	September 2022 Budget	March 2023 Forecast	September 2023 Forecast	Variance March 2023 to September 2023
Hard Costs	\$837 M	\$855 M	\$1,064 M	\$1,079 M	\$ 1,089 M	\$10.2 M
Soft Costs	\$168 M	\$185 M	\$222 M	\$229 M	\$ 227 M	(\$1.3 M)
NRHST	\$16.0 M	\$20.5 M	\$5.0 M	\$5.0 M	\$5.0 M	\$0
Total Base Costs	\$1,021 M	\$1,061 M	\$1,291 M	\$1,312 M	\$1,321 M	\$8.9M
Total Budget	\$1,185 M		\$1,354 M			\$0
Estimated Remaining Contingency	\$164 M	\$124 M	\$ 63 M	\$42 M	\$33 M	(\$ 8.9 M)
P90 Cost Risk Estimate	\$1,185 M	\$1,220 M	\$1,344 M	\$1,350 M	\$1,350 M	\$0
Target Budget	\$1,185 M		\$ 1,354 M			
Probability of Achieving Target	90%	73%	96.4%	95.4%	\$95.4%	0%

Top 10 Cost Risks and Opportunities

Risk	Probability	Low	High	Expected Value
NRHST Rebate	50%	\$5.7 M	\$5.7 M	\$2.8 M
Increased offsite disposal - does not meet quality criteria	30%	\$1.6 M	\$11.0 M	\$2.6 M
Subcontractor Costs in Excess of Estimate	25%	\$0.0 M	\$18.2 M	\$2.1 M
Dock wall Construction under the Existing Cherry St. Bridge	50%	\$2.5 M	\$3.5 M	\$1.6 M
Increase to Soil Disposal Rate	65%	\$0.9 M	\$2.8 M	\$1.5 M
External Market Forces In Excess of Cost Escalation	75%	\$1.0 M	\$1.6 M	\$1.0 M
Tune Mass Dampers (Commissioners)	95%	\$0.6 M	\$1.3 M	\$1.0 M
Additional SDMA Dredging During Construction	10%	\$6.3 M	\$9.4 M	\$0.8 M
Electrical Package Design Revisions to IFC	30%	\$0.2 M	\$2.0 M	\$0.5 M
Recoverable Keating Channel Dredging Costs	100%	-\$3.0 M	-\$3.0 M	-\$3.0 M

Top 10 Schedule Risks

Schedule risk results do not account for the ability to continuously adjust the schedule by accelerating and re-sequencing work

Risk ID	Probability	Low	High	Expected Value
Change in Suppliers for ISPS, SWTF and OGS	90%	2.0 mo	6.0 mo	3.6 mo
Delayed IFC Drawing Approval for SWTF/SPS	90%	2.0 mo	6.0 mo	3.6 mo
Lake Shore Bridge Delay Claims	30%	3.0 mo	9.0 mo	1.8 mo
Delay in Villiers Street Excavation	50%	1.0 mo	3.0 mo	1.0 mo
Electrical Package Design Revisions to IFC	30%	1.0 mo	3.0 mo	0.6 mo
Enbridge 20" Relocation (Schedule Risk)	15%	4.0 mo	6.0 mo	0.8 mo
Extended Operations of Toronto Water Assets	5%	3.0 mo	24.0 mo	0.6 mo
Bell Permanent Works - Cherry St.	50%	0.5 mo	1.5 mo	0.5 mo
Migratory Bird Nesting	20%	0.5 mo	6.0 mo	0.5 mo
Ship Channel Carp Gate Settlement	10%	2.0 mo	2.0 mo	0.2 mo

Thank you / Questions

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Finance Audit and Risk Management Committee
November 23, 2023
Item 5c– Report of the Independent Capital Project Monitoring
BTY Consulting Group Inc.

Purpose	For information: to support Committee oversight of the Port Lands Flood Protection (PLFP) Capital Project on technical matters related to the budget, scope, and schedule.
Areas of note/ Key issues	<p>The Independent Capital Project Monitoring & Assurance Services Consultants' Quarterly Report #21 (Q2/2023/24), key findings:</p> <ul style="list-style-type: none"> • Budget: <ul style="list-style-type: none"> ○ The WT CPMO has indicated that the overall Project Budget of \$1.354Bn represents the total projection inclusive of the full scope for Parks Finishes and Public Realm. This is broken down as follows: <ul style="list-style-type: none"> • Port Lands Flood Protection: \$1,272.9M • Parks Finishes: \$81.1M ○ The approved Project Budget based on the Second Amending Agreement to the Port Lands Flood Protection signed by the Federal Government, the Province, and the City and executed in June 2023, is \$1.272.9M. ○ Works related to Parks Finishes and Public Realm were modified, a reduced scope is included in the Approved Budget, however, scope and budget for the before-mentioned portion of the works remain in the overall budget. • Schedule: <ul style="list-style-type: none"> ○ An updated schedule was issued by EllisDon in September 2023. Based on this Schedule Updated issued by EllisDon (Update No. 69) critical dates are scheduled to be achieved as follows: <ul style="list-style-type: none"> • PLFPEI Substantial Performance (Seasonal Dependent Work) PLFPEI-MLS-1055 on December 31, 2024 • PLFPEI Close-Out PLFPEI-MLS-1059 on June 30, 2025 ○ The schedule update for September 2023 indicates there has been no slippage in the month on any critical activities or elements in the schedule. • Scope: WT CPMO provided four (4) revisions to the Project Charters during the quarter ending September 2023. These Project Charters are: PFP06-01 River Park North (#20), PFP06-02 River Park South (#21), PFP06-03 Promontory Park South (#17b), and PFP06-04 Park Finishes: Promontory Park South, River Park North and River Park South. We understand that the overall project scope is maintained, the movements in the overall budget only represent origin of the funding sources and do not alter or change the previously reported scope of works. • Risk: Based on the September 2023 Dashboard, the WT CPMO indicates that the project is now forecasted to be completed on budget. Included in the current Risk Update, the current overall EAC of \$1.354Bn (including works for parks finishes and public realm) represents a 95.2% probability of achievement not exceeding the budget based on the latest Risk Analysis. • The WT CPMO's approach and work performed at this moment counts as the best possible effort to assess risk and cost impacts to the project given the current circumstances and the uncertainty reflected in the construction industry.
Resolution or Next Steps	BTY will provide our Independent Capital Project Monitor and Assurance Services Report #22 at the February 2023 FARM Committee meeting.

Independent Capital Project Monitoring & Assurance Services Consultant

WT Port Lands Flood Protection Project

REPORT NO. 21.0 (PERIOD ENDING
SEPTEMBER 30, 2023)

NOVEMBER 13, 2023

Prepared for:

Waterfront Toronto (FARM) Committee

127 John Street, Toronto, ON, M5V 2E2
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Prepared By	Reviewed By	Date
Luis Castillo	Marie Foley	November 13, 2023

1.0 Independent CPMAS Consultants' Project Dashboard

1.1 DASHBOARD

Site Visit	Details	Comments
Date of Visit	October 17, 2023	Our next inspection will be on or after December 2023.
WT PLFP Project	Details	Independent CPMAS Consultant Comments & Risk
Objective		Our Quarterly Report No.21 provides an assurance review for Q2 2023/24 (period July 1, 2023 to September 30, 2023), based on our discussions with the FARM Committee, as follows: Budget, Schedule, Risk Management, and Scope.
Project Artefacts		Please refer to Section 2.6 in Appendix 1 of this Report for the list of Project Artefacts received by BTY during this period.
Risk Coding		BTY observations of the Project Artefacts are colour-coded to reflect our opinion on any associated risk, as follows: Green - None, Amber - Medium, Red - High
Budget	Approved Budget	<p>i. The WT CPMO has indicated that the overall Project Budget of \$1.354Bn represents the total projection inclusive of the full scope for Parks Finishes and Public Realm. This is broken down as follows:</p> <ul style="list-style-type: none"> a. Port Lands Flood Protection: \$1,272.9M b. Parks Finishes: \$81.1M <p>ii. The approved Project Budget based on the Second Amending Agreement to the Port Lands Flood Protection signed by the Federal Government, the Province, and the City and executed in June 2023, is \$1,272.9M.</p> <p>iii. Works related to Parks Finishes and Public Realm were modified, a reduced scope is included in the Approved Budget, however, scope and budget for the before-mentioned portion of the works remain in the overall budget.</p>
	Cost Optimization	No Cost Optimisation items were included in the current report, please note that most of the initiatives were captured in the current Budget.
	Contingency	<p>i. The current contingency carried in the budget is \$33.3M (including \$1.86M for Park Finishes), this reflects a reduction of \$8.34M during the last quarter.</p> <p>ii. The current contingency represents 2.52% of the overall Project Budget, it is a moderate amount and needs to be closely monitored to make sure that will suffice to offset cost overruns to the end of the Project.</p>
	Total Commitments incl. Procurement & Change Orders	The current commitments as presented in the September 2023 PLFP Dashboard total \$1,176.99M. This represents an increase of \$1.56M compared to Q1 2023/24. Based on the current Budget, the commitments represent 92.47% of the Approved Budget of \$1,272.9M. Change Orders: As of the end of the last quarter, one thousand one hundred and three (1,103) COs had been issued totaling \$152.2M (based on ED PO list). This is approximately +/-19.43% of the Hard Costs Commitments (based on the approved Budget and Ellis Don's PO 2044 commitment values \$786,609,271). Refer to section 3.6.3 for more details.
	Risk	<p>Budget Risk Impact: Based on the September 2023 PLFP Dashboard, of the twenty-two (22) sub-projects, eight (8) are identified by WT CPMO to have a medium impact to budget, one (1) are identified to have a high impact, and the remaining thirteen (13) sub-projects are low risk. Refer to the 'Risks' section.</p> <p>Based on the September 2023 Dashboard, the WT CPMO indicates that the project is now forecasted to be completed on budget. Included in the current Risk Update, the current overall EAC of \$1.354Bn (including works for parks finishes and public realm) represents a 95.2% probability of achievement not exceeding the budget based on the latest Risk Analysis.</p>

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3

Schedule	Risk	Different Top Schedule Risks and Opportunities are presented in the Risk Analysis issued in the current period. Please refer to section 6.2.2 for future details regarding the “Top 10 Schedule Risks and Opportunities”.
	Substantial Completion	An updated schedule was issued by EllisDon in September 2023. Based on this Schedule Updated issued by EllisDon (Update No. 69) critical dates are scheduled to be achieved as follows: <ul style="list-style-type: none"> i. PLFPEI Substantial Performance (Seasonal Dependent Work) PLFPEI-MLS-1055 on December 31, 2024 ii. PLFPEI Close-Out PLFPEI-MLS-1059 on June 30, 2025 The schedule update for September 2023 indicates there has been no slippage in the month on any critical activities or elements in the schedule.
	Critical Path	There has been no slippage in the month on any critical activities in the schedule, however, it is noted that after the issuance of the revised Base Line in February 2023 a significant number of activities have become critical.
	Project Charters	WT CPMO provided four (4) revisions to the Project Charters during the quarter ending September 2023. These Project Charters are: PFP06-01 River Park North (#20), PFP06-02 River Park South (#21), PFP06-03 Promontory Park South (#17b), and PFP06-04 Park Finishes: Promontory Park South, River Park North and River Park South.
Risk	Overall Risk Status	The Project Dashboard for the month of September 2023 indicates a ‘green’ risk level, which means a low likelihood of risks occurring that may impact the schedule/budget. Please refer to section 6.0 for comments on the top Risks.
<ul style="list-style-type: none"> • Exclusions: BTY has not undertaken a review of the Project Artefacts for Project ID PFP08-01 Lake Shore Boulevard East Bridge & Public Realm (“LSBE Modifications”). Whilst this is referenced and/or included in some of the PLFP Project Artefacts, these works are outside of the scope of the PLFP Project. BTY will continue to monitor these works in terms of any impact on the Port Lands Flood Protection Project only. • Best Practice Review: The general technical aspects presently known have been assessed against the experience of large-scale complex infrastructure projects. The processes are found to be robust and in accordance with standard industry practices. • Schedule: Please refer to section 4.0 for further details. 		

1.2 PLFP PROJECT SUMMARY: QTR-ON-QTR COMPARISON OF BUDGET-SCHEDULE-RISK

The following table indicates WT CPMO’s assessment/comment of the risk status for budget-schedule-risk management based upon the likelihood of impact to the overall project budget/schedule against the original current baseline schedule.

Project	ID	WT CPMO Status Summary (June 2023)			WT CPMO Status Summary (September 2023)			BTY Comment
		Budget	Schedule	Risks	Budget	Schedule	Risks	
PFP03-01 Commissioners Str W to New Cherry St.	15A							
PFP03-02 Commissioners Str E to Saulters St.	15C							Trade packages and CO's above EAC but offset by contingency
PFP03-03 Cherry Street Re-Alignment	14A							
PFP03-05 Don Roadway North	7A							
PFP03-06 Hydro One Integration	18							
PFP03-07 Site Wide Municipal Infrastructure	5							
PFP04-01 Cherry Street North Bridge	14B							
PFP04-02 Cherry Street South Bridge	14C							
PFP04-03 Commissioner Street Bridge	15B							
PFP04-04 Lakeshore Road & Rail Bridge Mods.	13							
PFP04-05 Old Cherry St Bridge Demo	14D							
PFP05-03 River Valley System	3							
PFP05-04 Don Greenway & Spillway	4							
PFP05-05 Keating Channel Modifications	16							
PFP05-06 Polson Slip Naturalisation	2							Coordination with Canoe Cove Islands, however, does not represent a major impact on the overall schedule
PFP05-07 Don Roadway Valley Wall Feature	8							
PFP05-08 Eastern Avenue Flood Protection	12							
PFP05-10 Flow Control Weirs	11							
PFP05-11 Sediment & Debris Management Area	10							
PFP05-12 Villiers Island Grading	19							
PFP06-01 River Valley Park North	20							
PFP06-02 River Valley Park South	21							
PFP06-03 Promontory Park South	17B							
WT CPMO Overall Project								
BTY Summary (based on WT CPMO 'Risk Criteria')								
Budget		Schedule		Risk Management				
+10% over Approved Budget		Over 6-months behind		High likelihood &/or impact to budget /schedule				
Up to 10% over Approved Budget		Up to 6-months behind		Medium likelihood &/or impact to budget / schedule				
Within Approved Budget		On Schedule		Low likelihood &/or resolution without impact to budget/schedule				

1.2.1 INDEPENDENT CPMAS CONSULTANT OPINION ON THE QUARTERLY STATUS

Based on the Project Artefacts received in Q2 2023/2024, we opine:

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1. **Budget:** A 'low risk' status for the overall Budget is shown in the September 2023 Monthly Program Dashboard. However, close monitoring is needed since one activity is now showing a high risk and eight a medium risk of exceeding the budget. Please refer to section 3.0 of this report for additional commentary. According to the CPMO the project is forecasted to be completed on budget.
2. **Schedule:** The schedule risk is shown as 'low risk' in the September 2023 Monthly Program Dashboard. It is our understanding that the WTCPMO is anticipating the Substantial Performance to be achieved on December 31, 2024. The anticipated date to achieve Substantial Performance of Flood Protection is showing December 31, 2024. We want to point out that close monitoring is needed since this quarter one activity shows high risk and six activities are showing medium risk for delays. Please refer to Section 4 for additional commentary.
3. **Risk:** WT has assigned a 'low risk' in the September 2023 Monthly Program Dashboard. Please refer to section 6.0 for more details.

2.0 Introduction & Methodology

2.1 INSTRUCTIONS RECEIVED

BTY Consultancy Group Inc. ("BTY" or "Independent CPMAS Consultant") has been retained to perform Independent Capital Project Monitoring and Assurance Services on the Port Lands Flood Protection ("PLFP") project in support of the governance and oversight function of Waterfront Toronto ("WT") Board of Directors and its Finance, Audit and Risk Management ("FARM") Committee.

As per the terms of our engagement and the direction received from the FARM Committee on May 23, 2019, BTY is required to independently monitor, analyze and advise upon:

- The completeness and relevance of the monthly updated Project Artefacts.
- The robustness of the processes in place to manage budget/costs, schedule, scope, and risks.
- Verification of the status of the Project, in terms of the budget, schedule, scope, and risks through the construction delivery phase, on a sampling basis of at least 20% of the sub-projects of the PLFP Project compared to the available project reporting by WT CPMO and the Construction Manager ("CM" or "EllisDon"); and
- Attend the FARM Committee and provide any technical advisory related to the development and construction activities required by the Committee.

Please refer to our finalized Project Execution Plan dated August 16, 2019.

2.2 REPORT RELIANCE

This report has been prepared in accordance with the scope of work contained in the Professional Services Agreement (# 2150) between Toronto Waterfront Revitalization Corporation and BTY Consultancy Group Inc., dated August 27, 2018 and is subject to the terms of that Agreement. BTY, its Directors, staff, or agents do not make any representation or warranty as to the factual accuracy of the information provided to us by Waterfront Toronto, third-party consultants, or agents, upon which this report is based. BTY will not be liable for the result of any information not received which, if produced, could have materially changed the opinions or conclusions stated in this report.

Any advice, opinions, or recommendations within this document should be read and relied upon only in the context of this report in its entirety. The contents of this report do not provide legal, insurance, or tax advice or opinion.

Opinions in this report are not an advocate for any party and if called upon to give oral or written testimony, it will be given on the same assumption.

2.3 REPORTING QUALIFICATIONS

This report has been prepared based on information provided to us by WT Capital Program Management Office (“WT CPMO”) up to the date of issue of this report. BTY does not accept accountability for the Project Artefacts (information) that has not been provided to us or is not available at the time of preparing this report.

BTY has reviewed the Project Artefacts provided to us by WT CPMO. We note that this Independent CPMAS Quarterly Report presents a snapshot of a time review of the project fundamentals in a ‘live’ project environment. This means that the ‘Project Artefacts’ provided may be draft, inconsistent, and/or subject to change due to the timing of the reporting cycle.

BTY has not undertaken an independent evaluation of the viability of the PLFP Project budget-schedule-risk.

2.4 PROJECT DESCRIPTION

The Port Lands Flood Protection and Enabling Infrastructure Project (“the Project” or “PLFP Project”) is a comprehensive plan for flood protecting southeastern portions of downtown Toronto including parts of the Port Lands, South Riverdale, Leslieville, south of Eastern Avenue and the First Gulf/Unilever development site, which are at risk of flooding under a provincially defined Regulatory Storm event. As a result, these areas are within a provincially designated Special Policy Area and are effectively undevelopable and economically under-utilized until the flood risk is removed.

The PLFP Project comprises of 23* sub-projects, these projects fall into four (4) categories of work:

- i. Roads and Services,
- ii. Bridges and Structures,
- iii. Flood Protection, and
- iv. Parks/Public Realm.

* We note that sub-projects 3 and 4 are combined, and subsequently, our report refers to 22 sub-projects throughout rather than 23. This is consistent with WT CPMO’s approach and does not reflect a change to the scope of the PLFP Project.

Each sub-project of the PLFP Project is described within Project Charters v.5 approved by the Executive Committee for the PLFP Project on April 29, 2019, and /or Project Charters v.6 approved in July 2019 as well as Project Charters provided for the period of September 2023 (refer to the Table in Appendix 4, Section 5.2 of this report).

Updated project Charters have been provided this quarter for PFP06-01 River Park North (#20), PFP06-02 River Park South (#21), PFP06-03 Promontory Park South (#17b), and PFP06-04 Park Finishes: Promontory Park South, River Park North and River Park South.

2.5 METHODOLOGY & APPROACH

This report is based upon Project Artefacts received from the WT Capital Program Management Office (“WT CPMO”) relevant to the period Q2 2023/24 (July 1, 2023 to September 30, 2023).

BTY, as independent monitor, engaged with the WT CPMO Office, the WT Chief Project Officer, and EllisDon in order to prepare this report.

In addition, we have reviewed and substantiated the data reported by WT CPMO Office and the Construction Manager related to budget/costs, schedule, scope, and risk management in the Project Artefacts listed in Section 2.6 of Appendix 1 to this report.

Our independent findings and recommendations related to the Project Artefacts are discussed within the Executive Summary, with further details in the appendices to this report.

2.6 PROJECT ARTEFACTS RECEIVED

The following Project Artefacts for the reporting period ending September 30, 2023 (Q2 2023/24) were received from the WT CPMO and reviewed and analyzed by the Independent CPMAS Consultant team, as follows:

- a. Project Monthly Status Reports;
 - i. Combined Project Status Report - July 2023;
 - ii. Combined Project Status Report - August 2023;
 - iii. Combined Project Status Report – September 2023;
 - iv. Ellis Don Monthly Report of July 2023;
 - v. Ellis Don Monthly Report of August 2023;
 - vi. Ellis Don Monthly Report of September 2023;
- b. Project Dashboards;
 - i. Parks Finishes Dashboard – September 2023
 - ii. 2023_07_PLFP Dashboard_July2023w_Contingency Tracker
 - iii. 2023_08_PLFP Dashboard_August2023w_Contingency Tracker
 - iv. 2023_09_PLFP Dashboard_September2023_wContingencyDrawdownReport
 - v. PFP08-01 Lake Shore Blvd E Bridge Public Realm - July 2023
 - vi. PFP08-01 Lake Shore Blvd E Bridge & Public Realm - August 2023
 - vii. PFP08-01 Lake Shore Blvd E Bridge & Public Realm - September 2023
- c. Budget documents including:
 - i. Sep.2023 Sep.2022 EAC Summary
 - ii. Sep.2023 Sep.2022 EAC Summary (Park Finishes)
 - iii. PLFP_Summary EAC – 2023-09-25_Final R1
- d. Procurement documents including:
 - i. Ellisdon PO 2044 CO list_Sep 30 2023;
 - ii. Ellisdon's contract procurement log_30Sep2023;
 - iii. PLFP_WT_Procurement log_30Sep2023;
 - iv. PO 2044A Lines details_30Sep2023;
- e. Program Schedule including:
 - i. Overall Schedule Update #67_July_2023_Final-Full Schedule.pdf;
 - ii. Overall Schedule Update #68_August_2023_Draft_V.01.pdf;
 - iii. Overall Schedule Update #69_September_2023_Draft_V.00 Full Schedule.pdf;
 - iv. UP67-70343-2023-0731.xer;
 - v. UP68-70343-2023-0831.xer;
 - vi. UP69-70343-2023-0930.xer;
- f. Risk Register including:
 - i. WT PLFPEI Abbreviated RR 8.3.2023
 - ii. WT PLFPEI Abbreviated RR 9.1.2023
 - iii. WT PLFPEI Abbreviated RR 10.23.2023
- g. Updated Project Charters:
 - i. PFP06-01 River Park North (#20);
 - ii. PFP06-02 River Park South (#21);
 - iii. PFP06-03 Promontory Park South (#17b);
 - iv. PFP06-04 Park Finishes: Promontory Park South, River Park North and River Park South.

- h. Other Documents:
 - i. 2023-09-31 Semi Annual Cost Update September 2023
 - ii. Interim Cost and Risk Update August 31 2023 – ESC September 27, 2023

The Project Artefacts are provided by WT CPMO and reflect the activities underway during any given reporting period. BTY are not responsible for any additional information that may be available but not provided by WT CPMO and/or the PLFP Project team via WT CPMO. This includes information that had it been received, would have materially changed the opinions contained in this report.

2.7 EXCLUSIONS

The following are excluded from our review and reporting, except should any become a monitored risk with the potential to impact schedule, budget or scope:

- Regulatory approvals including permits, licences and approvals.
- Public and Stakeholder Communications.
- Indigenous Consultation.
- Health & Safety.
- Environmental matters.
- Site Conditions.
- Design review and compliance.
- Status of construction period payments.
- Disputes, claims or liens.
- Changes in Law.
- Warranties.
- Maintenance plans.

2.8 NEXT STEPS

We expect our next report to be a monitoring report of the technical aspects of the PLFP Project being executed based on the Project Artefacts for the period October 1, 2023 to December 31, 2023. Our next report is due in February 23 2023, the actual date is to be confirmed.

2.9 FURTHER INFORMATION

Should the reader have any queries regarding the content of this report, please contact either of the following:

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3.0 Budget / Cost Management

3.1 INTRODUCTION AND APPROACH

Our role is to provide a review of the cost management process implemented by the project team and provide opinion on whether the process is being performed in line with expected professional industry standards and best practices.

During Q2 2023/24 (period July 1, 2023, to September 30, 2023), we undertook a general review of the Project Artefacts related to budget and financial summaries, to confirm the budget reporting. In addition to the PLFP Monthly Program Dashboard and Monthly Status Reports for each sub-project, BTY received additional project artefacts to support the cost estimates, contingency, committed costs (procurement and change orders) and the current EAC forecast.

The goal of our review is to monitor the reporting prepared by WT CPMO to confirm that it is prepared in accordance with good industry practices and that a sample was checked for accuracy.

3.2 APPROVED BUDGET

3.2.1 APPROVED BUDGET

In June 2023, the WT CPMO secured funds as indicated in the Second Amending Agreement to the Port Lands Flood Protection signed by the Federal Government, the Province, and the City to complete the Project. Section 1.2 of the mentioned document indicates that the Total Project Costs for the PLFP Project shall not exceed \$1,272.9M. This is the new Approved Budget.

Please note that Works related to Parks Finishes and Public Realm were modified, a reduced scope is included in the Approved Budget.

Furthermore, an Overall Project Budget of \$1.354Bn Budget representing the total projection inclusive of the full scope for Parks Finishes and Public Realm indicates the full completion of the works. This is broken down as follows:

- a. Port Lands Flood Protection: \$1,272.9M
- b. Parks Finishes: \$81.1M

3.3 BUDGET / COST MANAGEMENT PROCESS

3.3.1 COST ESTIMATE FINALISATION PROCESS

As indicated by the WT CPMO, the current Estimate at Completion (EAC) is based on trade package and change order adjustments to the September 2022 EAC, furthermore, updates to align with the new program budget have been made. Please note that we have been informed that the project team will proceed to procure all remaining project tender packages as reflected in the semi-annual cost risk forecast and risk update and quantification for Q2 2023/24.

In our opinion, the methodology used to update the EAC is reasonable given the current circumstances and the previous costs overruns identified in the project.

3.4 EAC - RISK ANALYSIS

Please refer to section 6.0 for additional comments.

3.4.1 UPDATED EAC FORECAST

The following table provides an overview of the budget movement including the current EAC (September 2023) reflected in the quarterly Project Artefacts, as follows:

Budget	Escalated Hard Costs	Escalated Soft Costs	Contingency	NRHST	Total
Original Approved Budget	\$911.9 M	\$201.7 M	\$51.5 M	\$19.8 M	\$1,185 Bn
Previous EAC at June 30, 2023 <small>*Inclusive of full scope for Park Finishes and Public Realm</small>	\$1,084.6 M	\$222.7 M	\$41.7 M	\$5.0 M	\$1,354 Bn
Current EAC at September 30, 2023 <small>*Inclusive of full scope for Park Finishes and Public Realm</small>	\$1,092.3 M	\$223.4 M	\$33.3 M	\$5.0 M	\$1,354 Bn
Difference QTR-on-QTR	\$7.7 M	\$0.7 M	-\$8.4M	\$0.0 M	\$0 M

3.4.2 UPDATED EAC FORECAST - RISK ANALYSIS

Please refer to section 6.0 of this report.

3.5 COMMITMENTS

3.5.1 TOTAL COMMITMENTS

For the current reporting period, we have limited our comments to the following information based on the September 2023 Monthly Program Dashboard and the \$1,272.9M budget with a revised scope for Park Finishes & Public Realm.

Total Commitments are \$1,176.99M, which can be divided as follows:

- i. Roads and Services: \$256.67M
- ii. Bridges and Structures: \$185.64M
- iii. Flood Protection Features: \$635.62M
- iv. Parks and Public Realm: \$99.06M

We note that the commitments for Flood Protection Features decreased from the last quarter.

This represents an increase of \$1.56M compared to Q1 2023/24. Please note that these figures are provided by the WT CPMO and are based on the current scope of work and the approved Budget.

3.5.2 PROCUREMENT

Trade packages are tendered for the Project as a whole; however, the Budget is monitored against the individual projects. This means that the tender award value is apportioned across the relevant sub-projects of the PLFP

based on the discretion and judgment of WT CPMO [and Ellis Don]. Whilst BTY has not completed a detailed review of the WT CPMO reported 'Total Commitments' for the PLFP Project, we observe that the reporting generally aligns with the WT CPMO reported 'Procurement' (tenders awarded).

A Procurement Log, inclusive of the contract award has been provided. WT CPMO provided a Procurement Log (ref: 'PLFP_WT_Procurement log_30Sep2023') where Commitments are allocated across the individual sub-projects of the PLFP works.

3.5.3 CHANGE ORDERS

As of the end of the last quarter, one thousand one hundred and three 1,103) COs had been issued totaling \$152.2M (based on ED PO list). This is approximately +/-19.43% of the Hard Costs Commitments (based on the approved Budget and Ellis Don's PO 2044 commitment values \$786,609,271).

We received and reviewed the 'Ellisdon PO 2044 CO list_30Sep2023' document, which details the executed CO's to date issued against the Contract #2044 (we understand this reference is for the Port Lands Flood Protection project in its entirety).

3.6 CONTINGENCY

3.6.1 CONTINGENCY PROCESS

The current contingency carried in the budget is \$33.3M which is in alignment with the Risk Analysis included in our last quarterly report which was based on P93.7.

Please note that the contingency has been reduced by \$8.34M during the last quarter.

3.6.2 CONTINGENCY STATUS

The total, unused Contingency is \$33.3M, it is broken down as follows:

- a. Contingency excluding Park Finishes: \$31.5M
- b. Contingency for Park Finishes: \$1.8M

3.6.3 OPINION ON CONTINGENCY

The current contingency represents 2.52% of the overall Project Budget, it is a moderate amount and needs to be closely monitored to make sure that will suffice to offset cost overruns to the end of the Project.

4.0 Schedule Management

4.1 SCHEDULE

4.1.1 CURRENT SCHEDULE: #69

A copy of the Schedule update for September 2023 (#69) was received from EllisDon. The data date for the schedule update is indicated as September 30, 2023.

There are still many activities in the schedule that have excessive durations. Some of these are critical path activities. The schedule update for September 2023 indicates those activities with durations of 20 weeks or more. It is noted that several activities have durations greater than 52 weeks (1 year) with a few over 100 weeks. The schedule has also been filtered to remove completed activities. It is not considered good scheduling practice

to have individual activities of such duration as it does not provide sufficient detail and could hinder accurate progress reporting. Activities should generally be broken down wherever possible into the different trade packages with their own specific installation durations and sequencing of no more than 6 to 8 weeks EllisDon has indicated previously that in many instances, the durations of these activities are determined by external sources and are therefore not controlled by them. In addition, they have suggested that there is more detailed supporting documentation. EllisDon needs to provide an explanation for why activities with excessive duration still exist in the schedule

4.2 COMPLETION DATES (MILESTONES)

As in previous baseline schedules, the activities relating to the PLFP Project and the Lake Shore Bridge East Modifications (“LSBE Modifications”) are combined in the latest baseline schedule BL4.3.

The completion milestones for the PLFP Project and the Lake Shore Bridge East Modifications are identified in the revised baseline schedule and updated schedule for September 2023 as follows:

Description	Current Update (September 2023)	WT Risk Status
PLFPEI Substantial Performance (Seasonal Dependent Work)	December 31, 2024	
PLFPEI Close-Out	June 30, 2025	
LSBE Substantial Performance Completion	October 1, 2025	

**Please note that the overall Project Completion including the works for the Lake Shore Bridge Modifications should be read as October 1, 2025.*

4.3 CRITICAL PATH OBSERVATIONS

The status of the project can be determined by reviewing the critical path through the schedule. The critical path should begin at the first activity and end at the last activity with a clearly defined critical path established between them. The critical path should be defined by activities that have 0 total float.

The schedule update for September 2023 indicates that EllisDon has defined the critical path as those activities with 160 hours or less of total float. This does not represent a true critical path since it includes near-critical activities. The schedule has therefore been recalculated to define critical activities with 0 total float.

With regard to the critical path sequence for the flood protection works, the critical path extract from the schedule for the critical path indicates a continuous critical path starting at the data date with activity PLFPEI-CON-2176 and ending at activity PLFPEI-CON-2544 and the milestone for the achievement of flood protection.

The first critical path activity in the schedule update for September 2023 starts on 7th May 2021, approximately 45 months after the beginning of the project. This represents a significant period between the start of the project (September 2017 and the first critical activity (May 2021). In scheduling terms, this is not acceptable and should be addressed. However, this is now historical, therefore, being reasonable we should consider the status of the critical path moving forward from the current revised baseline BL4 data.

4.4 CURRENT PROGRESS

Current progress, as expected is in accordance with the current baseline schedule. We visited the site on October 17, 2023.

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4.5 CONCLUSION

The schedule update for September 2023 indicates there has been no slippage in the month on any critical activities or elements in the schedule. However, it is evident that a significant number of activities have become critical since the baseline schedule BL4 was established. This is concerning and suggests that either the critical path through the baseline schedule BL4 was not represented correctly or there is already a strain on the project dates. Although the current milestone dates are being met, the status of the project will need to be monitored over subsequent months so that the progress trend can be established and mitigation put in place in a timely manner should delays become apparent.

5.0 Scope Management

5.1 INTRODUCTION AND METHODOLOGY

During the current reporting period, BTY undertook a review of the Project Artefacts in relation to scope management. The objective of our review was to substantiate the reporting by WT CPMO and the Construction Manager.

5.2 PROJECT CHARTERS

Revisions to the Project Charters have been provided as part of the Project Artefacts for the period ending September 30, 2023. The status of the Project Charters is noted to be as follows:

Project Charter	Revision 5 Executed Date	Revision 6 Executed Date
PFP03-01 Commissioners St West to New Cherry St	May 6, 2019	July 2019
PFP03-02 Commissioners St East to Saulters St	May 6, 2019	July 2019
PFP03-03 Cherry St Re-Alignment	May 6, 2019	-
PFP03-05 Don Roadway North	May 6, 2019	-
PFP03-06 Hydro One Integration	May 6, 2019	-
PFP03-07 Site Wide Municipal Infrastructure	May 6, 2019	-
PFP04-01 Cherry St North Bridge	May 6, 2019	-
PFP04-02 Cherry St South Bridge	May 6, 2019	-
PFP04-03 Commissioners St Bridge	May 6, 2019	-
PFP04-04 Lakeshore Road and Rail Bridge Modification	May 6, 2019	-
PFP04-05 Old Cherry St Bridge Demolition	May 6, 2019	-
PFP05-03/04 River Valley System & Don Greenway and Spillway	May 6, 2019	-
PFP05-05 Keating Channel Modifications	May 6, 2019	-
PFP05-06 Polson Slip Naturalization	May 6, 2019	-
PFP05-07 Don Roadway Valley Wall Feature	May 6, 2019	-
PFP05-08 Eastern Avenue Flood Protection	May 6, 2019	-
PFP05-09 East Harbour Flood Protection	May 6, 2019	July 2019
PFP05-10 Flow Control Weirs	May 6, 2019	-
PFP05-11 Sediment and Debris Management	May 6, 2019	-
PFP05-12 Villiers Island Grading	May 6, 2019	-
PFP06-01 River Park North	May 6, 2019	September 2023
PFP06-02 River Park South	May 6, 2019	September 2023
PFP06-03 Promontory Park South	May 6, 2019	September 2023
PFP06-04 Promontory Park South, River Park North and River Park South		September 2023

5.3 COST OPTIMISATION – SCOPE IMPACT

As per previous Stage Gates, design and cost optimizations were evaluated by the design team. Measures were approved by the Executive Steering Committee via the Second Amending Agreement to the Port Lands Flood Protection and Enabling Infrastructure Project Tri-Government Agreement executed in September 2023.

As informed by the WT CPMO, reductions to the scope of Park Finishes and Public Realm were introduced leaving a minimum scope included in the current budget (\$1,272.9M). Details on the descoping have not been fully shared with us, however, we understand that the reduced works are just works that are being done as planned under a different Budget allocation and are included in the overall project budget of \$1.354Bn.

5.4 CONCLUSION: INDEPENDENT CPMAS CONSULTANT FINDINGS – SCOPE ANALYSIS

We understand that the overall project scope is maintained, the movements in the overall budget only represent origin of the funding sources and do not alter or change the previously reported scope of works.

6.0 Risk Management

6.1 INTRODUCTION AND METHODOLOGY

For the current quarterly reporting period to September 30, 2023, BTY carried out a review of the Project Artefacts for risk management including the updated Risk Register. The objective of our review was to understand what has been analyzed for risk by WT CPMO and the Construction Manager, and that the process of risk management is undertaken in accordance with best practices.

To the best of our knowledge, the process undertaken by the WT CPMO is in accordance with the industry's best practices.

6.2 RISK MANAGEMENT PROCESS

6.2.1 RISK REGISTER

The primary process for risk management is based on the establishment of a Risk Register: All risks are listed within the risk register, and the probability of the risk occurring is agreed upon, and based on the probability of its occurrence the expected budget/schedule impact is assessed. We understand that if a risk has occurred or is forecast to have a 100% probability of occurrence it is transferred to the budget and/or schedule.

The risk register is actively managed each month for new risks and/or updated assessments of risk impacts (cost/schedule) and probability. Further, risks that have been mitigated, inactive, or retired are identifiable.

6.2.2 RISK REPORTING: INCORPORATION OF RISK REGISTER IN BUDGET

The Risk Register ('RR') is actively managed and updated monthly, and the WT CPMO monthly project status reports and dashboard reflect the updated RR 'top risks'.

The WT CPMO provided an Interim Semi-Annual Cost Risk Forecast & Risk Update and Quantification at the end of September 2023.

6.2.3 IDENTIFICATION OF 'TOP RISKS' IN OTHER PROJECT ARTEFACTS (OVERALL)

The 'top risks' are 9 budget and 10 schedule risks, which were identified by WT CPMO in the PLFP Project Dashboard for the period ending September 30, 2023. We understand that the identification of a 'top risk' is based on the likelihood of the risk occurring and the largest impact.

This means that some of the risks with larger indicative costs and/or schedule impact, should the risk occur, may not feature in the 'top risks' if the probability of its occurrence is low. This approach is normal practice, and we note that the WT CPMO continually monitors all risks included within the Risk Register until each risk is realized, mitigated, and/or retired. The following 'Top Risks' are identified in the Project Artefacts:

Risk ID	Key Risks / Opportunities by Category	Risk Impact Assessment by WT CPMO	
		Budget	Schedule
Roads & Services			
	Bell Permanent Works – Cherry St.		+2.2Wks
CNS 900.93	Electrical Package Design Revisions to IFC		+2.6Wks
	Utility Contractor – Change in Suppliers		+15.6Wks
	Delay in Villiers Street Excavation		+4.3Wks
Bridges & Structures			
	Dock Wall Construction Under the Existing Cherry St. Bridge	\$1.6M	
UTL 10.03	Enbridge 20" Relocation		+3.3Wks
	Lake Shore Bridge Subcontractor Delay Claims		+7.8Wks
Parks & Public Realm & Marine Structures			
	Extend Operations of Toronto Water Assets		+2.7Wks
CNS 50.47	Recoverable Keating Channel Dredging Costs	-\$3.0M	
CNS 50.40	Ship Channel Carp Gates Settlement		+0.9Wks
ENV 60.01	Migratory Bird Nesting		+2.1Wks
Other			
	Delayed IFC Drawing Approval for SWTF/SPS		+15.6Wks
	Increase of Soil Disposal Rate	\$1.5M	
CNS 900.37	NRHST Rebate - Municipal	\$2.8M	
CNS 70.73	Increased offsite disposal	\$2.6M	
	Construction Manager Fee Reconciliation	-\$2.7M	
	Subtrade Contract Reconciliation (Utility)	-\$1.1M	
	Subtrade Contract Reconciliation (Earthworks)	-\$0.6M	
	Subtrade Contract Reconciliation (Earthworks)	-\$0.3M	

6.3 OTHER ISSUES

For the current period, BTY is focusing its comments on the current budget and the risks associated with it. We understand that the WT CPMO is actively working to find the right alternatives to deliver the project not only in a timely matter but also with the smallest budget impact possible.

As manifested in previous reports, the global situation has a significant impact on the Canadian construction industry; we have observed notable industry trends that are affecting both, residential and infrastructure projects across the country. We notice that as inflation continues to rise and global supply chain issues remain unfixed, the risks associated with cost overruns and delays in delivering projects have significantly increased.

The WT CPMO's approach and work performed at this moment counts as the best possible effort to assess risk and cost impacts to the project given the current circumstances and the uncertainty reflected in the construction industry. Please note that there will always be a potential for cost increases beyond the risk analysis. The impact and mitigation strategies need to be closely monitored to avoid surprises.

INDEPENDENT CERTIFICATION

WT Port Lands Flood Protection Project

APPENDICES

Appendix 1: Photo Report (October 17, 2023)

Appendix 2: BTY Independent Assurance Report No. 21

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APPENDIX 1

Photo Report (October 17, 2023)

2 PAGES



New Don Roadway – Bearing concrete slab poured, waiting for continuation;



River Channel – Armour stone installed, filling gaps with smaller stones ongoing;



Commissioners Bridge – Stone filling gaps in progress;



Wetlands – Planting in progress;



Commissioners St. – New Commissioners road works in progress;



South Plug – Sheet wall in progress, Planting installation in progress;



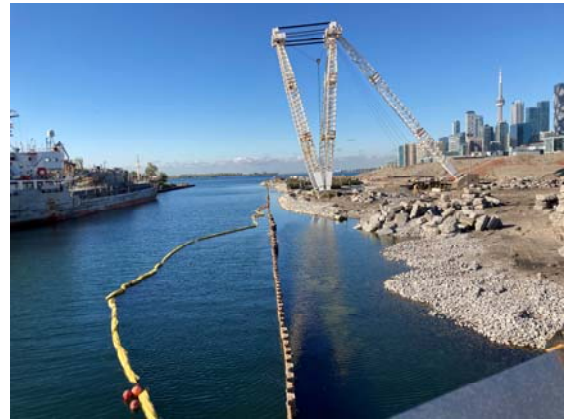
West Plug – Carp gates, works in progress;



New Cherry St. – Road works in progress;



New Martin Goodman Trail. – planting and leveling in progress;



Polson Slip – Canoe Cove works nearing completion;



Future Promontory Park North – Enabling works for the Construction in progress;



River Vally – Planting in progress;



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BUILDING INTELLIGENCE

Purpose	Supplementary Capital Approval for Waterfront East LRT.
Areas of note/ Key issues	<p>The Waterfront East LRT is a planned light rail transit line extending from Union Station to Villiers Island, via Cherry Street and Commissioners Street; along with an extension of the existing 504A King Street streetcar from the current Distillery Loop to Villiers Island. This project will provide improved transit options to the Central Waterfront, Lower Yonge, East Bayfront, Quayside, Keating Precinct, Lower Don Lands, and the Port Lands communities and is an integral part of the future development of new communities on Villiers Island and the eastern waterfront. When fully built, the Waterfront East LRT is proposed to extend over 3.8 kilometres, and is forecasted to provide over 50,000 daily trips, supporting an estimated 100,000 residents and 50,000 jobs to be located along the route.</p> <p>Management is seeking a recommendation from the Finance and Risk Management Committee to the Board of Directors to approve the capital expenditure of \$34.2 million to complete 60% design for the Waterfront East LRT, subject to execution of a delivery agreement with the City of Toronto to provide the necessary funding.</p> <p>This is in addition to the \$14 million of funding previously approved by the Board on January 23, 2020, for 30% Design. This funding has been spent to complete the 30% Design Stage Gate and the Environmental Assessment required for the project.</p> <p>This work includes 60% design for a series of sub-projects within the Waterfront East LRT work program.</p> <p>Funding for this work was approved by Toronto City Council on November 9, 2023 and is included in the Board approved Rolling Five Year Strategic Plan.</p>
Resolution and Next Steps	<p>ON MOTION duly made, seconded and carried, be it RESOLVED that the Finance, Audit and Risk Management Committee recommends that the Board of Directors approve:</p> <p>the capital expenditure of \$34.2 million for the Waterfront East LRT 60% design, subject to execution of an agreement with the City of Toronto to provide the necessary funding.</p>

Waterfront East LRT

60% Design Request for Capital Approval

Finance Audit and Risk Management Committee
November 23, 2023

Objectives

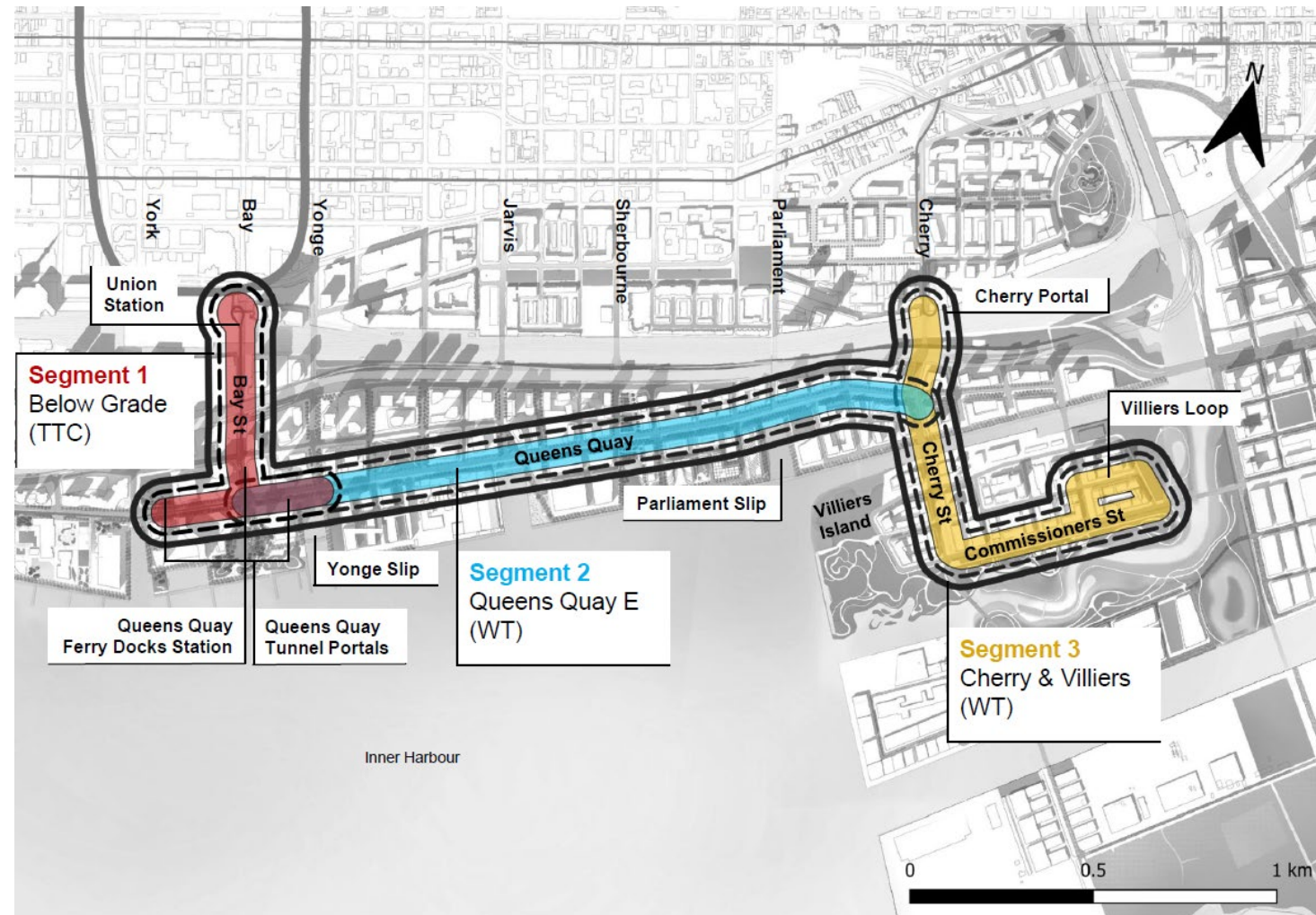
1. To provide an update on the status of the Waterfront East Light Rail Transit (WELRT) Project and the recent Toronto City Council Report.
2. To obtain FARM Committee and Board of Directors approval to invest an additional **\$34.2 million** to complete the Waterfront East Light Rail Transit (LRT) 60% design.

Key Information and Expected Outcome

- The Corporation's *Delegations of Authority policy* requires Board approval for all capital project expenditures over \$5 million.
- Management is seeking a recommendation from the Finance and Risk Management Committee to the Board of Directors to approve the capital expenditure of **\$34.2 million** to complete 60% design for the Waterfront East LRT, subject to execution of a delivery agreement with the City of Toronto to provide the necessary funding.
- This is in addition to the **\$14 million** of funding previously approved by the Board on January 23, 2020, for 30% Design. This funding has been spent to complete the 30% Design Stage Gate and the Environmental Assessment required for the project.
- This work includes 60% design for a series of sub-projects within the Waterfront East LRT work program (see Slide 6 for more details).
- Funding for this work was approved by Toronto City Council on November 9, 2023.
- Management will seek further Board approvals as may be applicable and necessary should design and/or construction proceed further.

Background – Waterfront East LRT

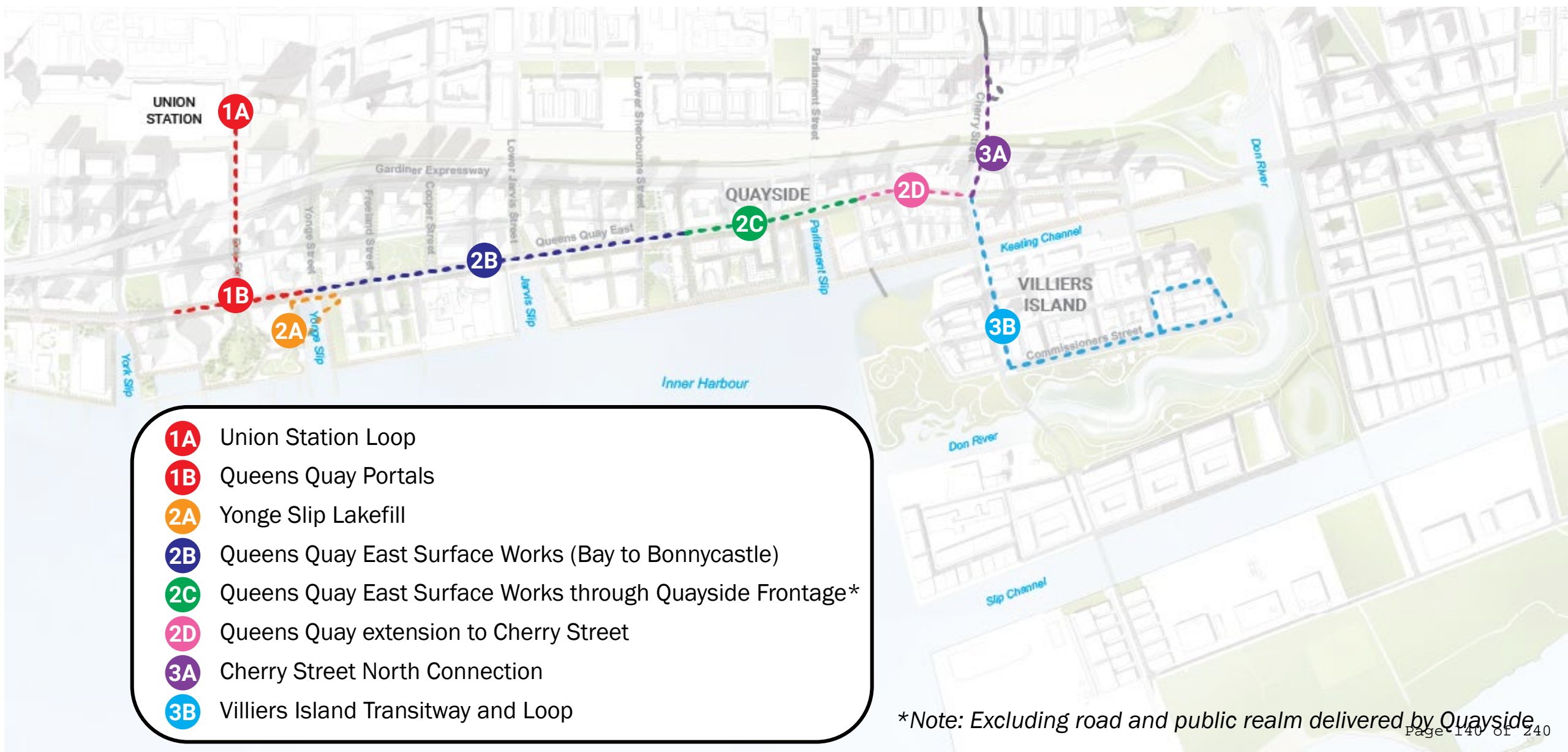
- **The Waterfront East LRT** is a planned 3.8km light rail transit (LRT) line serving Toronto's eastern waterfront.
- The line is planned to extend from Union Station along Queens Quay and Cherry Street to Villiers Island, terminating with an on-street loop at Commissioners and New Munitions streets. The project also includes an extension of the 504A King streetcar from its current terminus at the Distillery loop to Villiers Island.
- The City of Toronto is the lead for the project. TTC is leading design work for Segment 1 (including underground components of the project), and Waterfront Toronto is leading design for Segment 2 (Queens Quay surface works) and Segment 3 (Cherry Street and Villiers Island)



Background - Toronto City Council Outcomes

- City Staff reported to Toronto City Council on November 9, 2023 to update on completion of the 30% Design/ Preliminary Design and Engineering Stage Gate for the Waterfront East LRT. City council approved the following staff recommendations:
 - The Waterfront East LRT Project alignment (as illustrated on slide 6)
 - Funding of \$63.6 million for the following:
 - Advancing 60% Design for Segments 2 and 3
 - Securing environmental approvals for the project
 - Undertaking a Traffic Management Plan to manage construction schedule interface
 - Design and coordination with interfacing projects
 - Direction to report back to update on progress in 2024.

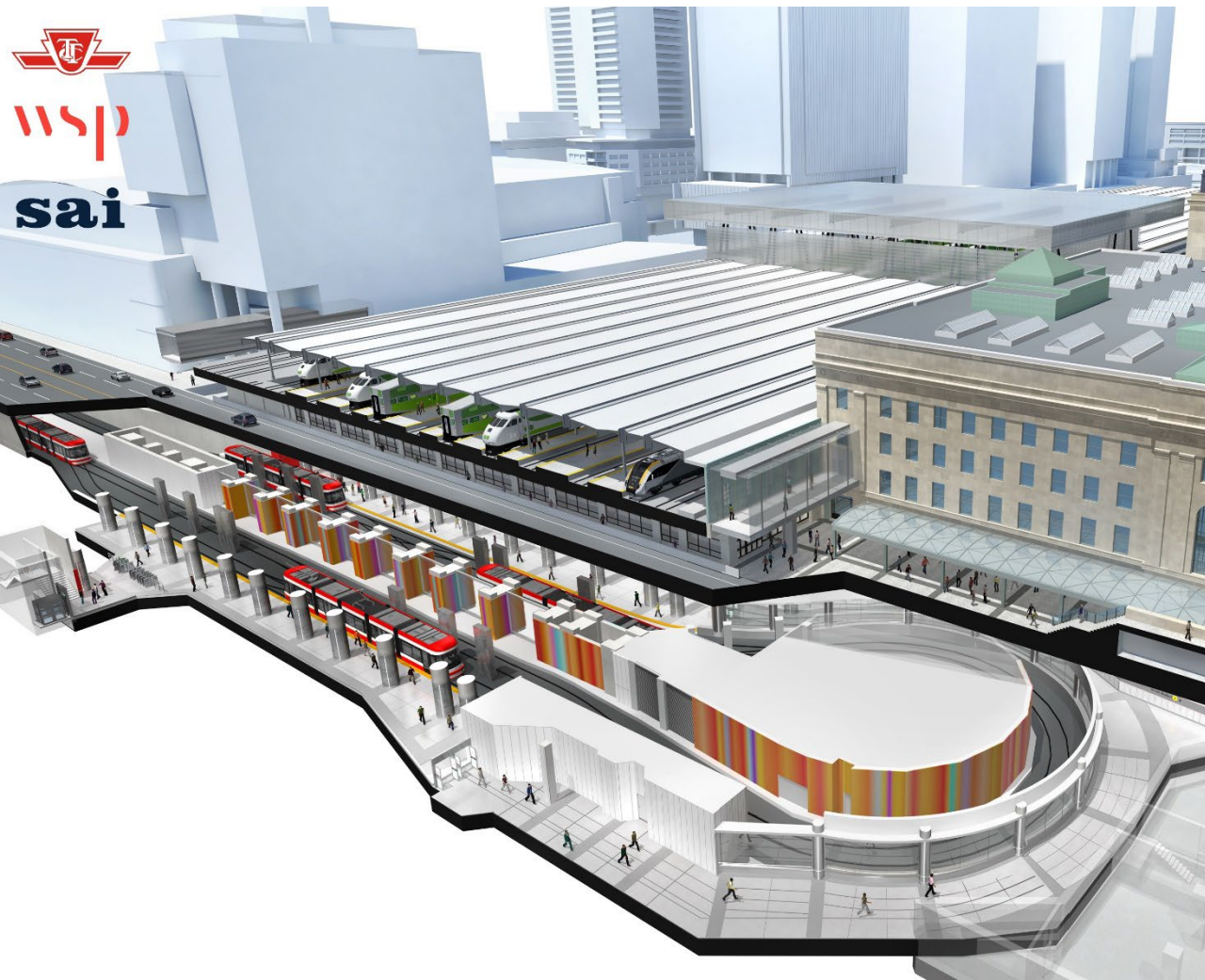
Scope - Project Components



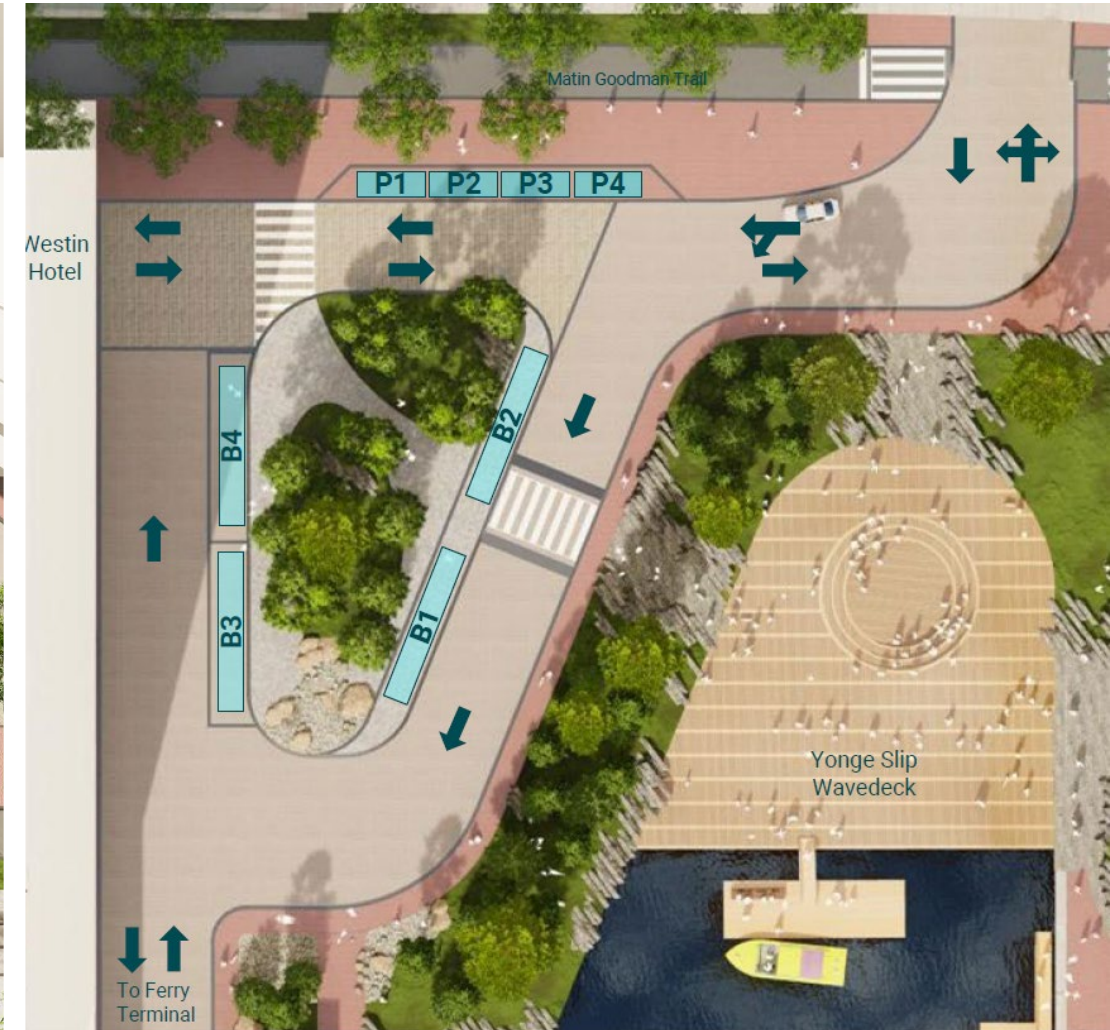
- 1A** Union Station Loop
- 1B** Queens Quay Portals
- 2A** Yonge Slip Lakefill
- 2B** Queens Quay East Surface Works (Bay to Bonnycastle)
- 2C** Queens Quay East Surface Works through Quayside Frontage*
- 2D** Queens Quay extension to Cherry Street
- 3A** Cherry Street North Connection
- 3B** Villiers Island Transitway and Loop

*Note: Excluding road and public realm delivered by Quayside

1 Union Station & Queens Quay Portals *(by TTC)*



2A Yonge Slip



2B Queens Quay East Surface Works (Bay to Bonnycastle)



2C Queens Quay East Surface Works through Quayside Frontage



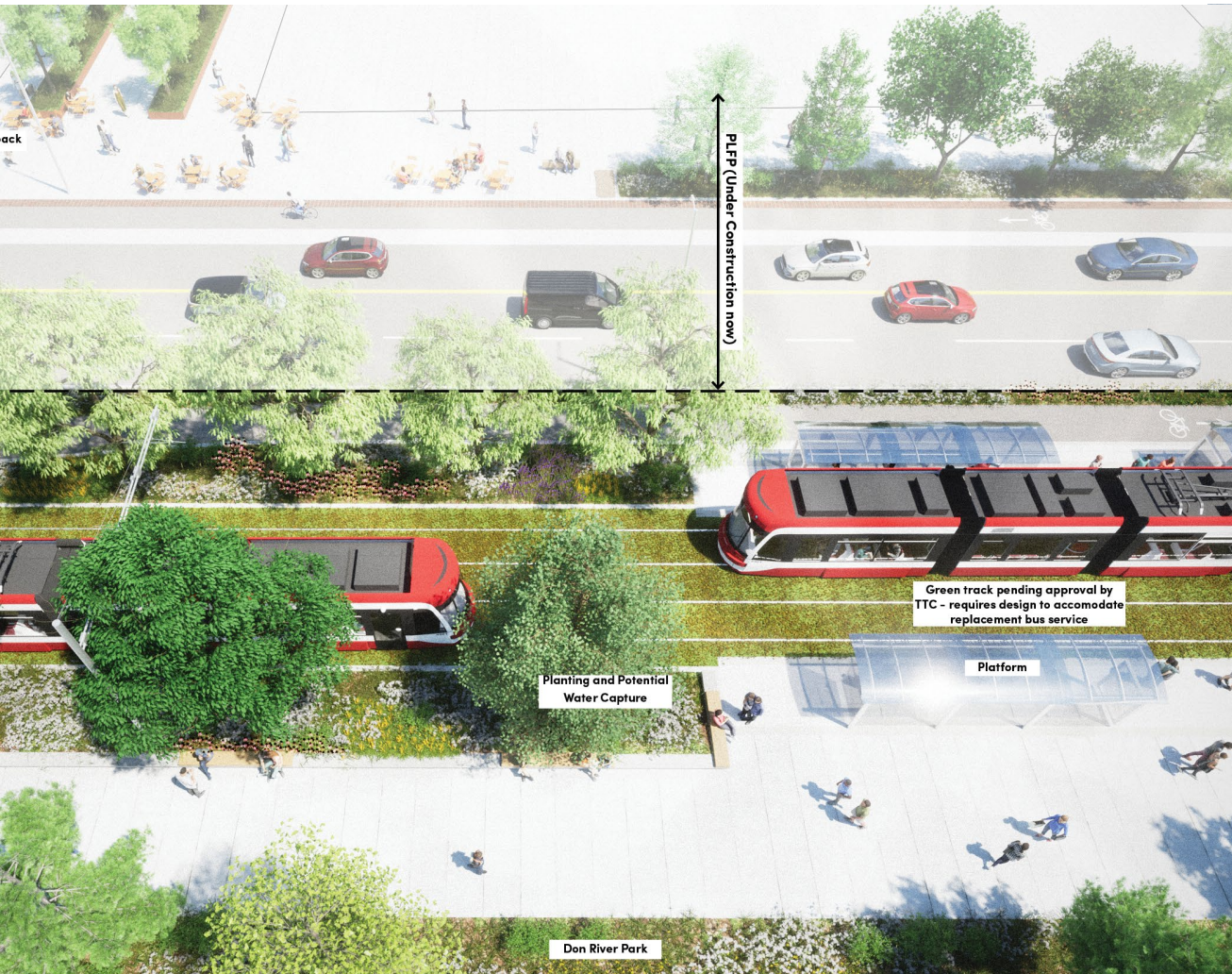
2D Queens Quay Extension to Cherry Street



3A Cherry Street North Connection



3B Villiers Island Transitway & Loop

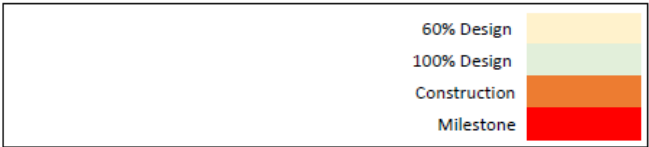


Project Status: Timeline



- In November 2023, City staff reported to Council on completion of 30% Design/Preliminary Design and Engineering Stage Gate. Council provided direction and funding to proceed with 60% Design.
- 60% design is expected to commence in early 2024 and complete in 2025, with accelerated completion of early works components.
- If funding is secured in a timely manner, 100% design would commence in 2025 and construction could commence in 2027.
- Subsequent capital approvals will be sought for 100% design and construction as the project proceeds.

Item	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Current Scope											
City Council Approval											
Funding Agreement Signed with City											
2024 Funding Transferred from City											
Start 60% Design											
60% Design - Early Works (Yonge Slip, Queens Quay Extension)											
City Council Report											
60% Design - Segment 2 & 3											
Anticipated Future*											
100% Design - Early Works											
100% Design - Segment 2 & 3											
Construction - Early Works											
Construction - Segment 2 & 3											



**Anticipated future work subject to further funding and approvals, and timelines require further coordination with City of Toronto projects.*

Project Status - Waterfront East LRT 30% Design Cost Estimate

Segments 2 and 3



		Total Project Cost (\$ Millions)
1A	Union Station Loop	\$ 932
1B	Queens Quay Portals and Station Improvements	\$ 1,300
2A	Yonge Slip Lakefill	
2B	Queens Quay East Surface Works (Bay to Bonnycastle)	
2C	Queens Quay East Surface Works through Quayside Frontage	
2D	Queens Quay Extension to Cherry St	
3B	Villiers Island Transitway & Loop	\$ 337
3A	Cherry Street North Connection	

TOTAL ESTIMATED COST \$ 2,570 M

Estimate is based on 30% design cost estimate and assumes timely project funding and implementation, assuming construction will occur between 2027 and 2033. Extended timelines would result in additional escalation costs.

Proposed Capital Approval Budget – Segments 2 and 3

60% design of Segment 2 and 3

Including:

- Design Costs
- Studies & Consulting
- Communications/Public Engagement
- Soft Cost Contingency
- Project Management Costs
- NRHST

Total Capital Approval: \$34.2 Million

Funding Sources

- Funding sources for 60% design scope amounting to \$34.2 million will be from the City of Toronto Transit Expansion Division's 2023-2032 Capital Budget and Plan.
- This was approved by Toronto City Council on November 9, 2023 (and is sourced from a combination of Development Charges and City Building Fund).
- This scope is included in the 2023/24 to 2027/28 Rolling Five-Year Strategic Plan.

Risk Description	Potential Impact	Mitigation Strategy
Costs for completing the 60% design exceed the expected Design Budget.	Schedule and Cost impacts	Costs for design are known for Areas 2b and 3, for Area 2a estimated costs are known. Budgets include contingencies to account for potential unknowns.
Completing the 60% Design within the set timelines.	Delay to implementation schedule	Monitor consultant's scope of work. Include City and TTC as part of the project team to ensure efficient feedback and approvals.
Potential future constructability challenges in absence of contractor input into 60% design.	Design changes may be required at later phases	Leverage staff experience from constructing similar works in other contexts, including the Quayside Public Realm & Infrastructure, Port Lands Flood Protection, and Queens Quay West. Closely engage Project Delivery team.

Design

- Using pre-existing competitively procured contracts with the design teams for Segment 2 and Segment 3 to conduct the 60% design work. These contracts were procured for the full extent of the project design to maintain continuity of the teams throughout the process.

Construction (Future)

- The Waterfront Toronto Procurement Options Assessment recommended a Construction Manager approach for the future construction of the project, which was corroborated by the City of Toronto's Constructability Assessment.
- A Construction Manager is intended to be competitively procured once capital funding is secured for the project.

Recommendation

- Management is recommending that the Finance, Audit and Risk Management Committee recommends that the Board of Directors approve the capital expenditure of \$34.2 million for the Waterfront East LRT 60% design, subject to execution of a Delivery Agreement with the City of Toronto to provide the necessary funding.

- **ON MOTION** duly made, seconded and carried, be it RESOLVED that the Finance, Audit and Risk Management Committee recommends that the Board of Directors approve:
 - a) the capital expenditure of \$34.2 million for the Waterfront East LRT 60% design, subject to execution of an agreement with the City of Toronto to provide the necessary funding.

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Purpose	Supplementary Capital Approval for Bayside Phase II Infrastructure including Water's Edge Promenade
Areas of note/ Key issues	<p>The Project is included in the Board approved Rolling Five Year Strategic Plan under Complete Communities.</p> <p>This work package of projects completes the last components of Bayside Phase II Infrastructure, the major component of which is the Water's Edge Promenade along the western edge of the Parliament Slip.</p> <p>Bayside Phase II Infrastructure commenced construction in 2016. The portion of the Water's Edge Promenade along the western edge of the Parliament Slip, implemented a deferral due to challenges related to the construction of the Aqualuna site, potentially causing damages to the finished public realm surfaces and triggering Occupational Health & Safety (OHSA) constructor issues.</p> <p>Capital Approval for Bayside Phase II was granted by the FARM Committee and Board of Directors on December 12, 2016, for a total of \$44.7M. The intention to defer the work to align with the Aqualuna development was noted in the Capital approval.</p> <p>The cost escalation impact over the duration of the deferral was greater than anticipated, specifically in recent years following the pandemic.</p> <p>Management recommends that the Finance Audit and Risk Management Committee recommend to the Board of Directors for approval of the following:</p> <ul style="list-style-type: none"> a) an additional capital expenditure of \$11.6 Million for a total capital expenditure of \$56.3 Million to complete the construction of Bayside Phase II. b) use of the Waterfront Toronto Land / Other Revenues to fund the additional capital expenditure of \$11.6 Million. c) the additional capital expenditure of \$11.6 Million be added to the Corporation's Rolling Five-Year Strategic Plan (2023/24 – 2027/28).
Resolution and Next Steps	ON MOTION duly made, seconded, and carried, be it RESOLVED that the Finance, Audit and Risk Management Committee recommends for approval by the Board of Directors an additional capital expenditure of \$11.6 Million for a total capital expenditure of \$56.3 Million to complete the construction of Bayside Phase II, and proceeding with capital expenditure using Waterfront Toronto secured funding (Waterfront Toronto Land / Other Revenues).

East Bayfront Precinct

Bayside Phase II Infrastructure Request for Supplementary Capital Approval

Finance Audit and Risk Management Committee
November 23, 2023

1. To provide an update on the current status of the Bayside Phase II construction
2. To review new funding risk identified subsequent to original FARM Committee Capital Approval for Construction Award that was granted on November 30, 2016
3. To describe changes (if any) to the original project scope, budget, schedule and funding
4. To obtain FARM Committee and Board of Directors approval to invest an additional \$11.6 million (for a total of \$56.3 million) to complete the Bayside Phase II Infrastructure

Management is seeking Supplementary Capital Approval for the Municipal Services, Roads and Public Realm in Bayside amounting to \$11.6 M to provide the necessary infrastructure to serve the second phase of the Bayside development (Bayside Phase II).

This is in addition to the \$44.7M Capital Approval obtained from the Board of Directors on December 12, 2016 for Bayside Phase II Municipal Services, Roads and Public Realm. These works are to be delivered by Waterfront Toronto by January 2025 pursuant to the Project Agreement between Hines and Waterfront Toronto.

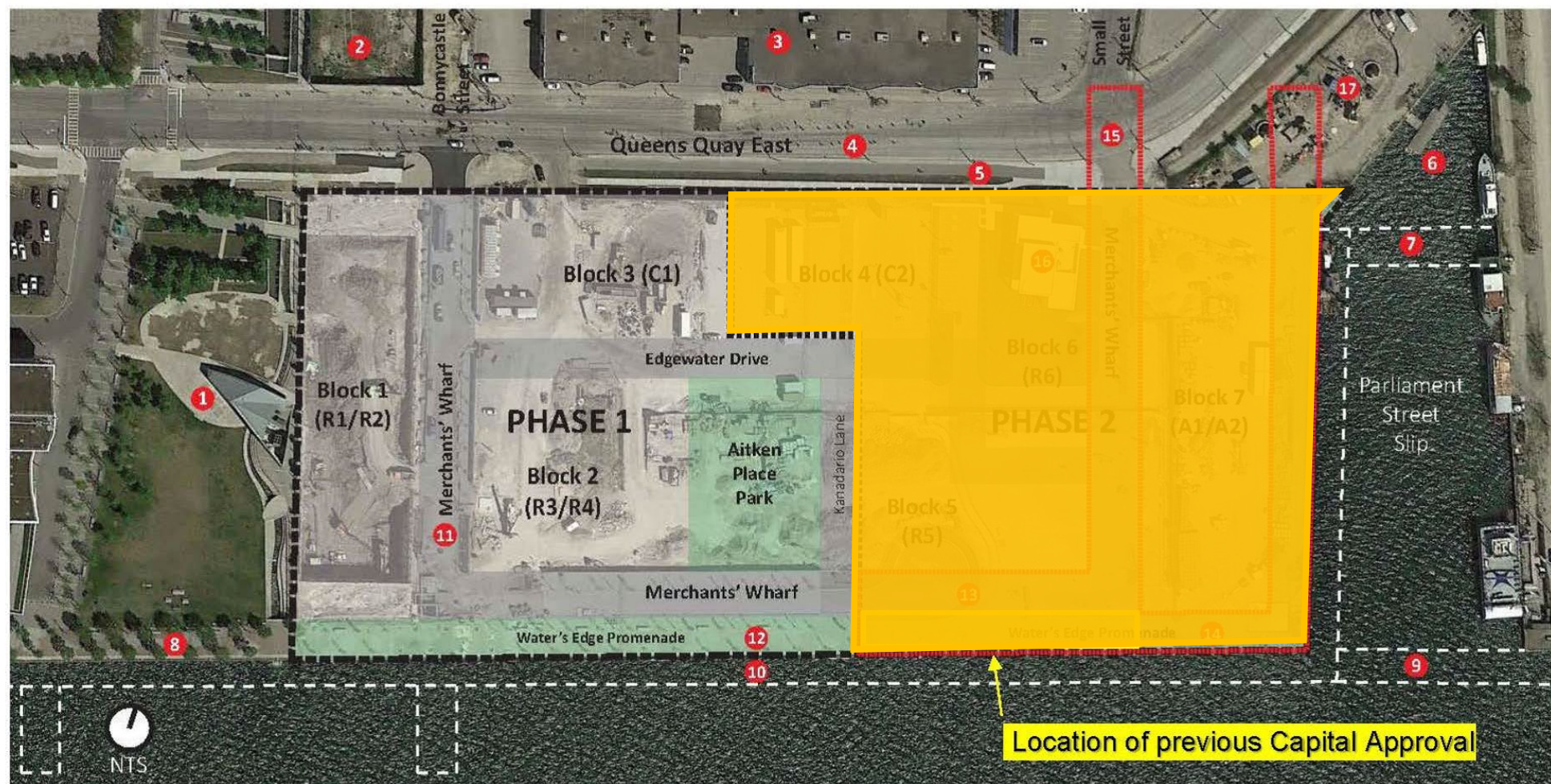
Bayside Phase II Infrastructure work involves the following:

- Dockwall Reinforcement & Water's Edge Promenade (to Parliament)
- Internal Municipal Services & Public Realm (Public and Private Streets)
- Hydro Connections

Bayside Phase II – Scope of Work

Work Packages	Description
1. Water's Edge Promenade (EBF 04-09)	<ul style="list-style-type: none">• Balance of the Dockwall Reinforcing• Public Realm (soil cells, granite mosaic, trees, irrigation, bike rings, benches and lighting)• Future servicing for marine uses
2. Local Streets (EBF 05-09)	<ul style="list-style-type: none">• Implement Environmental Risk Management Measures• Relocate Small Street Combined Sewer Outfall• Extend Municipal Servicing from Phase I and provide service connections for the development blocks.• Public Realm for Public and Private Streets (soil cells, trees, irrigation, granite curbs, boulevard pavers, bike rings and streetlights)
3. Hydro Connections (EBF 05-10)	Secure Offer To Connect with Toronto Hydro

Background - East Bayfront (EBF) Precinct



1. Sherbourne Common
2. Parkside Development (Monde)
3. Quayside Development
4. Queens Quay East Revitalization (Existing ROW)
5. Interim Martin Goodman Trail

6. Future Parliament Slip Infill
7. Future Parliament WaveDeck
8. Existing Water's Edge Promenade (Dockside)
9. Future Parliament Slip Bridge
10. Future Boardwalk and Piers (Bayside)

11. Merchants' Wharf (Unassumed Public ROW)
12. Existing Water's Edge Promenade (Bayside Phase I)
- 13. Future Merchants' Wharf (Bayside Phase II)**

- 14. Future Water's Edge Promenade (Bayside Phase II)**
- 15. Signalized Intersection at Small Street and Queens Quay East**
16. Existing Presentation Centre
17. RCYC Parking Lot

Background - East Bayfront (EBF) Precinct



1. This Project is included in the Board approved Rolling Five Year Strategic Plan under Complete Communities
2. This Project completes the final leg of the Water's Edge Promenade in the Bayside precinct
3. This Project enables occupancy of the Aqualuna development
4. This Supplementary Capital Approval request also considers claims related to work package EBF05.09 Local Streets (Bayside Ph II), which was a package included in the original Capital Approval in Nov 2016

Dockwall & Water's Edge Promenade – Portion Complete to Date



Dockwall reinforcement and public realm construction of Bayside Phase II Water's Edge Promenade (first leg).

Internal Municipal Services and Public Realm - Completed



Completion of Bayside Phase II public and private streets (Merchant's Wharf and Edgewater Drive), including:

- Soil cells, trees, irrigation
- Granite curbs
- Pavers
- Bike rings
- Streetlights
- Roads

Hydro Connections from QQE into Phase II - Completed



Executed with Toronto Hydro an Offer to Connect to secure hydro supply for the development and permit the installation of hydro infrastructure into Phase II from Queens Quay East.

Final Leg: Water's Edge Promenade – To Be Completed



Existing condition: Western Edge of Parliament Slip, beside Aqualuna.



Future condition upon completion of the WEP. Rendering from Quayside Public Realm 60% DRP.

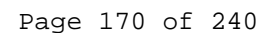
- Dock wall reinforcement on the WEP has been completed
- Construction of final leg of the public realm on the WEP remains to be completed
- The design is based on an extension of Dockside and Bayside Phase I
- Design updates to value-engineer cost, transition to Quayside, and incorporate lessons learned are being assessed.

Status: Bayside Phase II Construction Status

- Completed construction of local streets and municipal infrastructure
 - Outstanding claims related to EBF05.09 Local Streets related to T3 service connections from QQE requiring additional capital
- Completed Hydro connections from QQE
- Completed dock wall reinforcing along western edge of Parliament Slip (Aqualuna side) in 2018/19
- Water's Edge Promenade public realm finishes were issued to market for competitive tender in Q3 2023
 - Bids were received which exceed the existing budget allocated



WATERFRONTToronto



Value Engineering Items under Consideration

- Replace tree pits with open planters
 - Reduced quantity of Granite Paving, with optimized paving pattern
 - Reduced quantity of Soil Cells
 - Add understory planting including shrubs, grasses and perennials within open planters
- Remove final finishes at north end to align with construction fencing for Parliament Slip Infill
 - Final finishes to be completed as part of Quayside
- Remove dockwall timber bench (replace with toe rail)
 - Add handrail at south end in conformance with recent WT Accessibility Guidelines
- Remove trench drain along east dockwall.
- Furniture
 - Reduce Quantity of Benches
 - Replace backless benches with Backed benches in conformance with recent WT Accessibility Guidelines
- Lighting
 - Replace custom lighting pole with catalogue option



Supplementary Capital Approval is required to complete the Bayside Phase II Infrastructure due to the following factors:

- Claims related to Local Streets (EBF.05.09) due to dewatering challenges for T3 service connections in Bayside Ph II
- A delay in Aqualuna development construction (scheduled to be complete in 2020/21) led to a delay in public realm construction, causing escalation impact
- Escalation between 2020/21 and 2024/25 amounts to 37.7% based on the original forecast of \$6.2M for the completion of the WEP finishes. The bids came in higher than the expected escalation over the anticipated period.
- The work is critical to supporting the occupancy of the Aqualuna development, now projected for January 2025
- Risks identified in the original Capital Approval have been realized (see following slide)

Supplementary Capital Approval

The 2016 Capital Approval for the project included the following potential risks:

- Securing Environmental Approval from Ministry of Environment and Climate Change
- Securing timely design approvals
- Construction bids exceeding budget
- Extreme weather causing construction delays
- Ineffective dewatering during construction due to proximity to the lake
- Coordination with adjacent projects and/or stakeholders causing delays

Supplementary Capital Approval



- In the original Capital Approval in 2016, a note was considered to defer the Water’s Edge Promenade to coincide with parcels A1/A2 (Aqualuna)
- The deferral was implemented due to challenges related to the construction of Aqualuna adjacent to the finished WEP, potentially causing substantial damages to the finished public realm surfaces
- This differs from other blocks Aqualina, Aquavista, and Aquabella because these developments are fronting Merchant’s Wharf, not directly adjacent to the Water’s Edge Promenade at the Parliament Slip, so damage potential was minimized
- This strategy minimizes OHSA Constructor issues



Schedule – Design and Construction

Milestone	Start	End
Early Works (Dockwall Reinforcing)		
Construction	July 2016	Dec 2016
Bayside Phase II – Balance of Works		
Execute Subdivision Agreement		Jan 2017
Bayside Phase II Capital Approval		Dec 2016
City Acceptance of 100% Design		Jan 2017
Tender Construction for Bayside Phase II - Balance of Works	Dec 2016	Feb 2017
Construction*	Mar 2017	Mar 2018
Phase II Registration		July 2017
Transact 1 st development parcel in Phase II		Sept 2017

*Discussions are currently underway with Hines/Tridel to defer Water’s Edge Public Realm construction to 2020/2021 concurrent with the construction completion of Parcels A1 & A2

Approved Capital Budget – November 2016



Budget Allocation

Consultants & Permits
 Hard (Construction) Cost
 Project Management (Hines & WT)
 Non-recoverable HST
 Subtotal
 Contingency (20%)
Total Estimated Cost
 Previous Capital Approval
Additional Capital Approval

April 2016 Capital Approval	November 2016 Capital Approval			
Early Works Dockwall Reinforcing (EBF04-09)	Water's Edge Promenade (EBF04-09)	Local Streets (EBF05-09)	Hydro Connection (EBF05-10)	Total
\$ 200	\$ 1,050	\$ 1,950		\$ 3,000
\$ 1,800	\$ 12,610	\$ 14,950	\$ 4,000	\$ 31,560
\$ 180	\$ 1,390	\$ 1,620		\$ 3,010
\$ 40	\$ 150	\$ 190		\$ 340
\$ 2,220	\$ 15,200	\$ 18,710	\$ 4,000	\$ 37,910
\$ 450	\$ 3,050	\$ 3,740		\$ 6,790
\$ 2,670	\$ 18,250	\$ 22,450	\$ 4,000	\$ 44,700
\$ 2,670	\$ (2,670)			\$ (2,670)
	\$ 15,580	\$ 22,450	\$ 4,000	\$ 42,030

All figures in thousands of dollars

Revised Capital Budget - November 2023

Work Package #	Description	Nov 2016 Capital Approval (\$ Millions)	Additional Capital Required (\$ Millions)	Anticipated Total Project Cost – Nov 2023 (\$ Millions)
	Bayside Phase II			
EBF04.09	Water's Edge Promenade (Bayside Phase II)	\$ 18.25	\$ 9.40	\$ 27.65
EBF05.09	Local Streets (Bayside Phase II)	\$ 22.45	\$ 0.55	\$ 23.0
EBF05.10	Hydro Connections*	\$ 4.0	- \$ (1.8)	\$ 2.2
	Additional Contingency Requested	\$ -	\$ 3.4	\$ 3.4
	Total	\$ 44.7	\$ 11.6	\$ 56.3

- Additional capital investment amounting to \$11.6 million is required to complete the Bayside Phase II Infrastructure. This increases total estimated project cost from \$44.7 to \$56.3 million
- Additional costs will be provided for in the updated Rolling Five Year Strategic Plan in December 2023
- Nonrecoverable HST is included in the values above
- *EBF05.10 Hydro Connections charges are costs Related to Bayside Ph II only. The prior approval of \$4M was underspent on Bayside Ph II.

Planned Sources of Funding – Bayside Phase II

Funding Sources ²	Nov 2016 Capital Approval (\$ Millions)	Nov 2023 Additional Request (\$ Millions)	Total (\$ Millions)
Waterfront Toronto Land/Other Revenues	\$18.7	\$11.6 ¹	\$30.3
Government Funding	\$26.0	-	\$26.0
<ul style="list-style-type: none"> • <i>City of Toronto Funding Agreement (from EBF Parkland Dedication)²</i> • <i>City of Toronto Contribution Agreements</i> • <i>Province of Ontario Contribution Agreements</i> 	\$17.1 \$5.0 \$3.9		
Total Sources of Funds	\$44.7	\$ 11.6	\$ 56.3

Notes:

1. Due to timing in realization of revenues associated with funding the above supplementary capital expenditure, Waterfront Toronto may require external borrowing earlier in Q4 2024/25 (accelerated by two quarters versus Q2 2025/26 in prior cash forecasting to FARM).
2. Anticipated funding sources may change if other sources are deemed more feasible during project implementation.
3. Funding Agreement with the City of Toronto is presently underway. Anticipated execution is on/before end-December 2023.

Ongoing Project Risks

Risk Description	Potential Impact	Mitigation Strategy
Contractor Claims due to unforeseen site conditions and material escalation	Project Cost	Track site productivity through full-time site inspection and initiate a third-party claims review process
Extreme weather events causing construction delays and changes	Schedule and Cost	Work with contractor to compress schedule to avoid additional winter costs and schedule impacts
Delayed City Acceptance	Increased time to City assumption	Involve City (ECS) throughout project to monitor construction and manage issues raised; Prepare O&M budget under separate cover to track addt'l costs due to City acceptance delay
As-Built plans continue to have variance from field conditions	Schedule and Cost	Advise contractor to verify field conditions as part of the contractual requirements and raise discrepancies as early as possible
Potential for ongoing disputes with the Contractor	Post-completion costs	Involve third-party claims consultant for objective claims assessment and utilize new dispute resolution mechanisms within the contract (adjudication) to minimize additional costs
Cash flow risk due to timing of revenue funding and associated borrowing costs	Project cost	Leveraging WT's external borrowing facility and/or exercising prudent cash management

- The Corporation's Risk Appetite Statement establishes a tolerance for risk of "moderate", i.e. manages moderate scope changes, 6-12 month completion delay and < 10% over budget.
- Except for budget (26% over), this project is consistent with the Corporation's level of risk tolerance because it mitigates risk in Bayside Phase II as follows:
 - Completion of the Water's Edge Promenade construction is aligned with the projected occupancy of the Aqualuna development
 - Completion of the Water's Edge Promenade will enable the entire Water's Edge Promenade in Bayside to be opened to the public
 - Completion of the Water's Edge Promenade will support the assumption of the Bayside Phase II Plan of Subdivision, and will allow Waterfront Toronto to transfer operations and maintenance responsibilities and costs to the City of Toronto
- While increase in budget (26%) exceeds WT's risk tolerance, WT has mitigated through value engineering and re-allocation of Waterfront Toronto Land / Other Revenues

Management recommends that the Finance Audit and Risk Management Committee recommend that the Board of Directors approve additional Capital Investments for Bayside Phase II of \$11.6 Million, bringing the total approved value of the project to \$56.3 Million. The recommendation is based on the following:

1. Additional funding to complete the project to be sourced from Waterfront Toronto Land/ Other Revenues
2. The overall cost of the project will increase further if the work is not completed in an expeditious manner due to:
 - I. Construction and Operations & Maintenance costs annual escalation (3% to 5% pa)
 - II. Additional contractor mobilization and demobilization costs
 - III. Additional consultant contract administration due to extended schedule
 - IV. Additional Waterfront Toronto project management costs due to extended schedule
 - V. Extended operating and maintenance costs incurred until handover to the City

ON MOTION duly made, seconded, and carried, be it **RESOLVED** that the Finance, Audit and Risk Management Committee recommends for approval by the Board of Directors:

- a) an additional capital expenditure of \$11.6 Million for a total capital expenditure of \$56.3 Million to complete the construction of Bayside Phase II.
- b) use of the Waterfront Toronto Land / Other Revenues to fund the additional capital expenditure of \$11.6 Million.
- c) the additional capital expenditure of \$11.6 Million be added to the Corporation's Rolling Five-Year Strategic Plan (2023/24 – 2027/28).

Join Us

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Purpose	Supplementary Capital Approval for Quayside Infrastructure and Public Realm 100% Design.
Areas of note/ Key issues	<p>Quayside infrastructure will enable the development and the public realm will deliver an integrated open space armature for the precinct. Both tasks are to be led by Waterfront Toronto and are commitments in the agreement with Quayside Impact Limited Partnership (QILP).</p> <p>Capital Approval was granted by the Board of Directors on June 24, 2021 for a total of \$14.2 Million in order to complete up to 60% Design for the Quayside and Infrastructure project.</p> <p>60% Design for the Quayside Infrastructure and Public Realm will be completed in December 2023 and Management is seeking Capital Approval to proceed into the next phase of the design of the project to complete 100% Design.</p> <p>Management recommends that the Finance Audit and Risk Management Committee recommend to the Board of Directors for approval of the following:</p> <ul style="list-style-type: none"> • An additional Capital Investment for Quayside Infrastructure and Public Realm Design of \$20.9 million for a total cost of design of \$35.1 million. • Proceed with Capital Investment using Waterfront Toronto secured funding (Quayside land/other revenues) until the Delivery Agreement with the City of Toronto is executed.
Resolution and Next Steps	ON MOTION duly made, seconded, and carried, be it RESOLVED that the Finance, Audit and Risk Management Committee recommends for approval by the Board of Directors an additional capital expenditure of \$20.9 million for a total capital expenditure of \$35.1 million to complete the 100% design of the Quayside Infrastructure and Public Realm Project, and proceeding with capital expenditure using Waterfront Toronto secured funding (Quayside land/other revenues) until the Delivery Agreement with the City of Toronto is executed.

Quayside Infrastructure and Public Realm

100% Design Request for Capital Approval

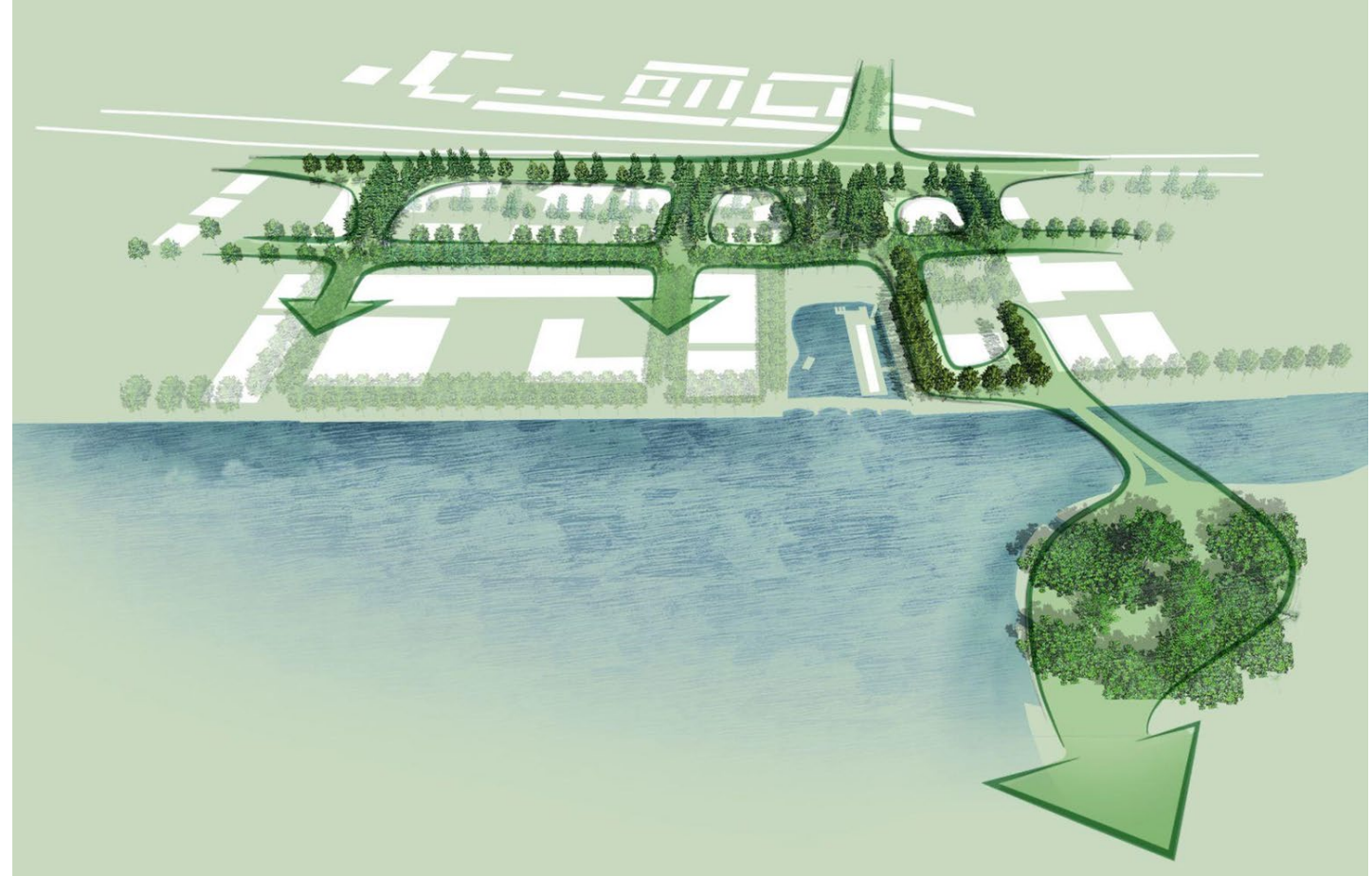
Finance Audit and Risk Management Committee
November 23, 2023

Key Information and Expected Outcome

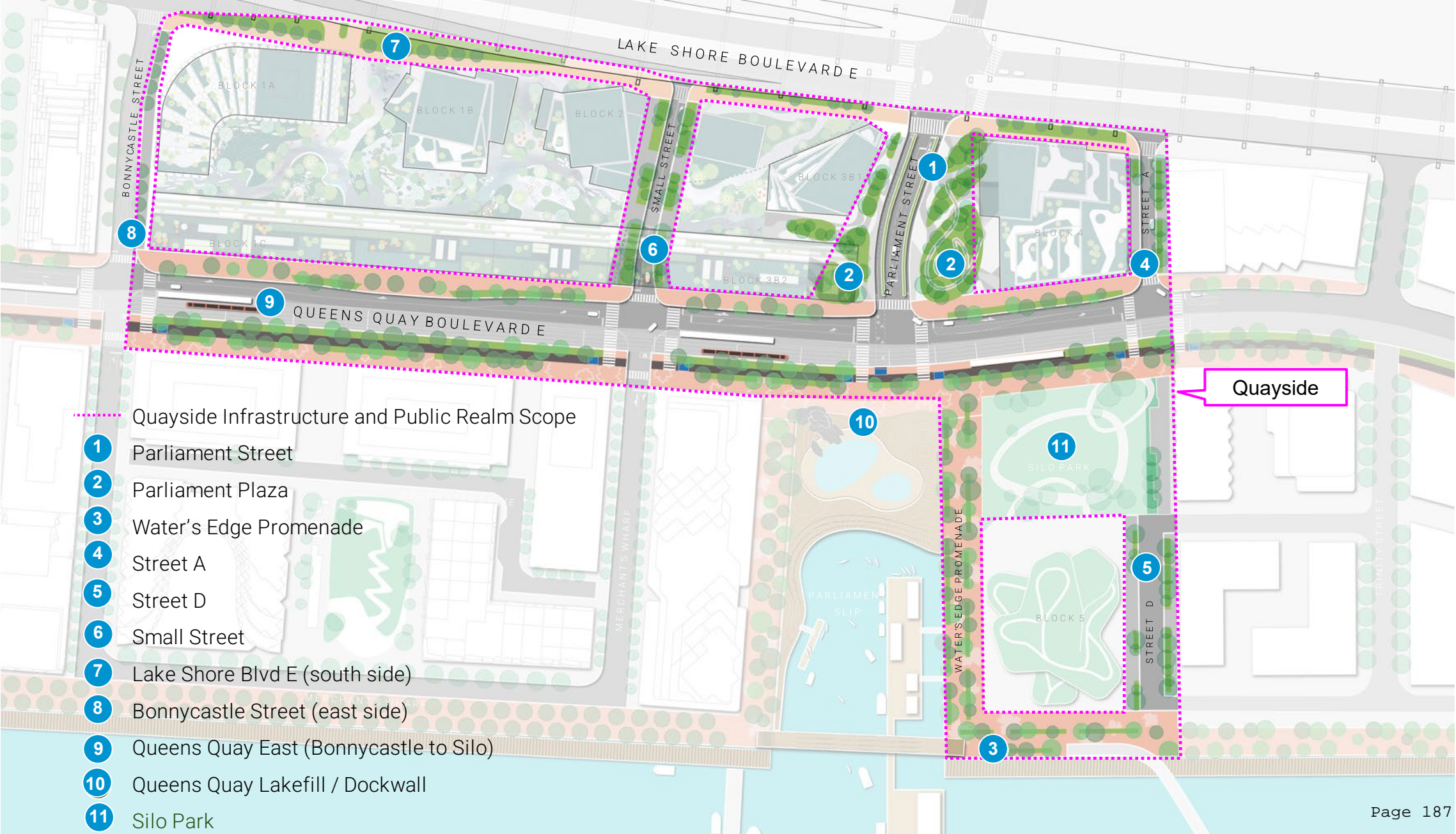
- The Corporation's *Delegations of Authority policy* requires Board approval for all capital project expenditures over \$5 million.
- Management is seeking that the Finance, Audit and Risk Management Committee recommends to the Board of Directors for approval the capital expenditure of **\$20.9M** for 100% design of the Quayside Infrastructure and Public Realm Project. This is in addition to the \$14.2M Capital Approval obtained from the Board of Directors on June 24, 2021 for Quayside Infrastructure and Public Realm 60% Design and Pre-Construction Services.
- These works are to be delivered by Waterfront Toronto pursuant to the forthcoming Delivery Agreement between City of Toronto and Waterfront Toronto, and as required to fulfill obligations with the developer for Quayside. The Delivery Agreement has not yet been executed as we work through with some issues raised by the City.
- Management will seek further Board approvals as may be applicable and necessary when design and/or construction proceeds further.

Background - Quayside Public Realm and Infrastructure

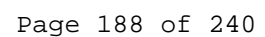
- **Quayside** is a 12-acre parcel of land on Toronto's waterfront, located at Queens Quay Boulevard East and Parliament Street.
- Quayside infrastructure will enable the development of the precinct and the public realm will deliver an integrated open space armature for the precinct. Both tasks are to be led by Waterfront Toronto and are commitments in the agreement with Quayside Impact Limited Partnership (QILP).
- 60% Design for the Quayside Infrastructure and Public Realm will be completed in December 2023 and Management is seeking Capital Approval to proceed into the next phase of the design of the project (i.e., 100% Design)



Scope – Project Components



An aerial photograph of a city block, likely in downtown Los Angeles, showing a grid of streets and buildings. A yellow triangle is overlaid on the image, pointing to a specific location on the left side of the block, near the intersection of a street and a larger building complex.



Scope – Internal District Streets

Zero setback on Block 2

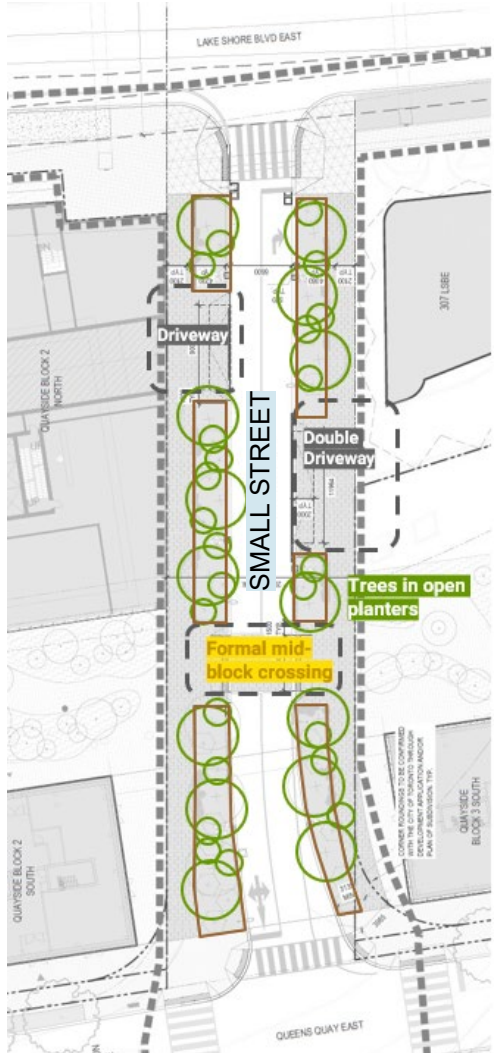
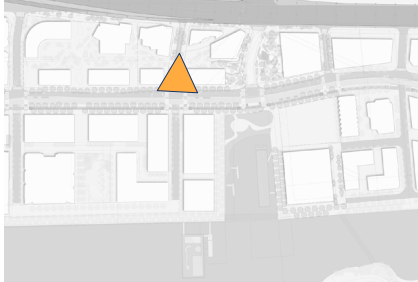
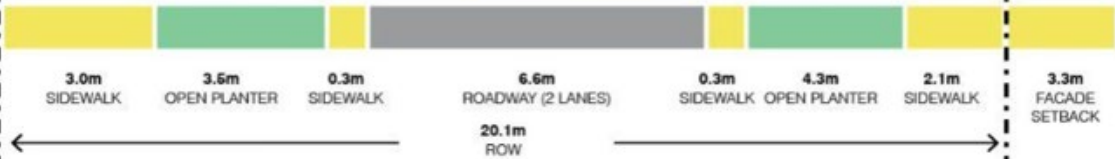
Block 02

SMALL STREET

Block 03

TRCA 100-Year Lake Level (+76.20)
Long Term Summer Avg (+75.04)

Teacher Stones at curb cuts (all streets)

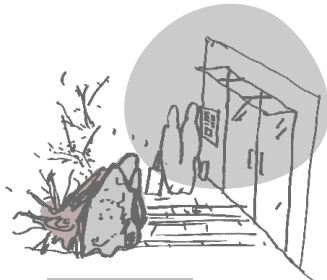


Scope – Natural Elements



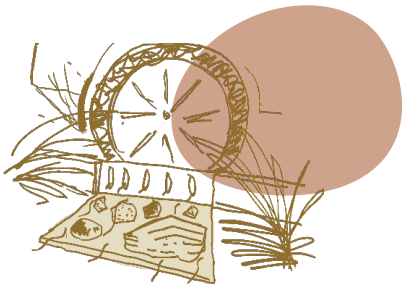
Socialites

Encourage social interaction and provide informal seating.



Markers

Wayfinding devices that celebrate moments of arrival and transition.

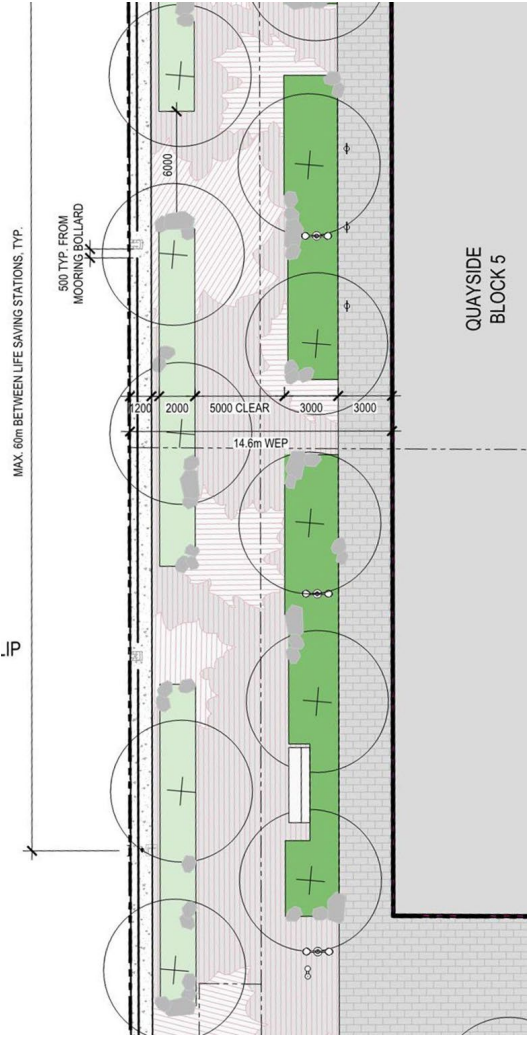


Teachers

Thoughtfully detailed elements that draw attention to hidden processes like water cycles and soil health in the streetscape.



Scope – Waters Edge Promenade



Typical Furnishings Layout

Project Status: Timeline

- 30% design was completed in April 2023 and 60% design is expected to be completed in December 2023.
- 100% design of infrastructure is expected to be completed in April 2024, with the 100% design of the public realm following in September 2024.
- Early Works including construction of Queens Quay East Lakefill (already completed design and construction tender and previously approved by the Board of Directors) will commence in January 2024 to enable the infrastructure and public realm to commence construction later in 2024.
- Subsequent Capital Approvals will be sought for construction as and when required.
- Silo Park will be subject to a future design competition and design has not yet commenced.

Project Status – 30% Design Cost Estimate

ID #	Project Component	Due Diligence Cost Estimate (2021 DDR/BIP/LTP)	Final 30% Design Cost Estimate		
			30% Cost Estimate	Variance vs Due Diligence Estimate	
1	Parliament Street	\$9,223,146	\$14,736,531	\$5,513,385	60%
2	Parliament Plaza	\$11,440,574	\$16,698,970	\$5,258,396	46%
3	Waters Edge Promenade	\$35,618,579	\$45,467,635	\$9,849,055	28%
4	Street A	\$5,911,898	\$6,513,104	\$601,207	10%
5	Street D	\$9,299,651	\$13,452,249	\$4,152,598	45%
6	Small Street	\$8,361,345	\$11,297,500	\$2,936,156	35%
7	South Lakeshore Frontage	\$8,285,001	\$9,943,633	\$1,658,632	20%
8	Bonnycastle East	\$4,858,217	\$5,210,417	\$352,200	7%
9	Queens Quay Bonneycastle to Silo	\$76,487,025	\$124,822,037	\$48,335,012	63%
10	Queens Quay Lakefill/Dockwall	\$25,895,054	\$34,206,517	\$8,311,463	32%
11	Silo Park	\$17,522,839	\$16,146,227	(\$1,376,612)	-8%
	Land Acquisition	\$16,400,000	\$16,400,000	\$-	
		\$229,303,329	\$314,894,820	\$85,591,492	37%

- Earlier this year, Waterfront Toronto completed an extensive cost estimating process at the 30% design milestone and established that the project is projected to exceed the current available funding by \$86M.

Funding Gap = \$86M

Previously Approved Budget (60% design) – June 2021



	30% design*		60% design	
Total Design Costs	\$	3,200,000.00	\$	3,600,000.00
Pre-Construction Construction Management	\$	250,000.00	\$	250,000.00
Studies & Consulting	\$	2,100,000.00	\$	800,000.00
Public Engagement	\$	120,000.00	\$	110,000.00
Total Soft Costs	\$	5,700,000.00	\$	4,800,000.00
Project Management Costs	\$	2,000,000.00	\$	1,500,000.00
Tax 1.76% (PM costs not taxed)	\$	100,000.00	\$	100,000.00
Total Anticipated 60% Design Cost	\$	7,800,000.00	\$	6,400,000.00

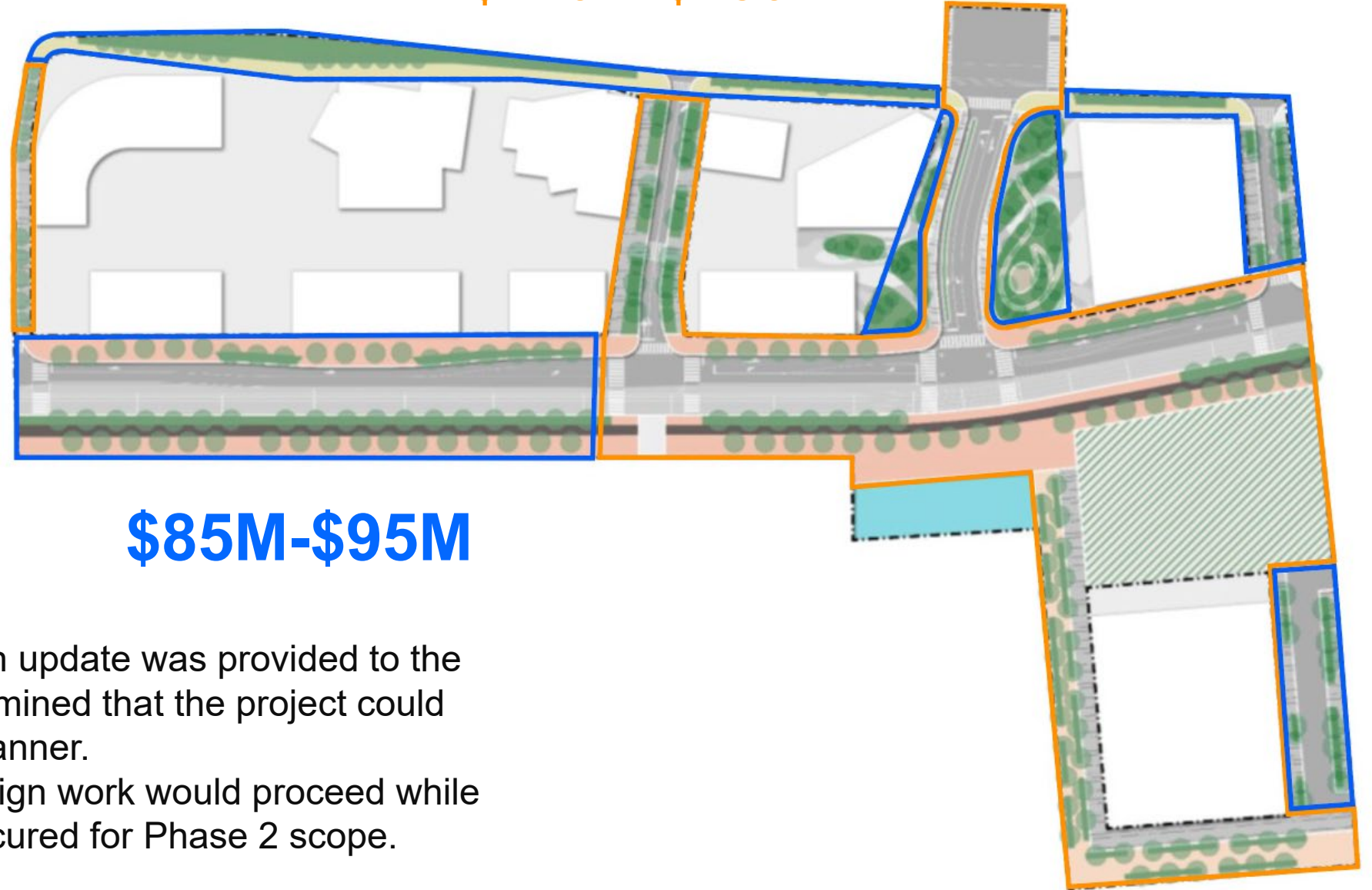
Total Capital Approval: \$14,200,000

* Excludes 30% design fees for Queens Quay as these costs were previously approved by the Board of Directors as part of the QQE Capital Approval and are funded via a contribution agreement with the City of Toronto.

Project Status – Phased Approach

\$220M-\$230M

-  Phase 1 Scope
-  Phase 2 Scope



\$85M-\$95M

- On October 12, 2023 an update was provided to the Board, and it was determined that the project could proceed in a phased manner.
- Phase 1 and all the design work would proceed while additional funding is secured for Phase 2 scope.

Proposed Budget (100% design)

	Quayside Infrastructure and Public Realm (Infrastructure + Streets + Waters Edge Promenade)	Queens Quay East (Bonnycastle to Silo)	Silo Park
Design Costs (60 to 100% Design)	\$2,397,000	\$4,651,000	\$867,000
Pre-Construction Construction Management	\$100,000	\$100,000	
Studies & Consulting	\$2,236,000	\$1,959,000	\$264,000
Public Engagement	216,000	\$335,000	\$46,000
Total Soft Costs	\$4,949,000	\$7,045,000	\$1,177,000
Project Management Costs	\$2,045,000	\$2,070,000	\$666,000
Tax 1.76% (PM costs not taxed)	\$87,000	\$124,000	\$21,000
Total Anticipated 100% Design Cost	\$7,081,000	\$9,239,000	\$1,864,000
Engineering & Construction Services + Risk Management Measures Review Fee	\$3,908,000	\$3,742,000	-
60 to 100% design*	\$11,076,000	\$13,105,000	\$1,885,000
Total 60 to 100% design budget:			\$26,066,000

- Excludes design fees for Parliament Slip Lakefill as these costs were previously approved by the Board of Directors as part of the Queens Quay East Lakefill which included full design and construction costs.

Proposed Capital Approval Budget

Scope Description	0 to 60% Design Budget (\$ Millions)	60 to 100% Design Budget (\$ Millions)	Anticipated Total Project Cost (\$ Millions)
Quayside Infrastructure and Public Realm (Infra + Streets + WEP)	\$5.6	\$11.1	\$16.7
Queens Quay East (Bonnycastle to Silo)	\$2.1	\$13.1	\$15.2
Silo Park	\$1.4	\$1.9	\$3.2
Total Soft Costs	\$9.1	\$26.1	\$35.1
Less Previous Capital Approval (June 2021)			-\$14.2
Total Capital Approval Being Requested			\$20.9

- Current 0 to 60% Design Budget is based on expected costs to complete these phases of work and is tracking below the expected budget set in 2021.
- Additional capital investment amounting to \$20.9 million is required to complete the Quayside Infrastructure and Public Realm Design.
- Nonrecoverable HST is included in the values above
- Excludes design fees for Parliament Slip Lakefill as these costs were previously approved by the Board of Directors as part of the Queens Quay East Lakefill which included full design and construction costs.

Summary of Capital Approvals

Description	June 2021 Capital Approval (\$ millions)	Current Capital Approval (\$ millions)	Total (\$ millions)
0 to 60% Design Capital Approval ¹	\$14.2	-	\$14.2
60 to 100% Design Capital Approval ²	-	\$20.9	\$20.9
Total Capital Approval (June 2021 + Current Request)			\$ 35.1

Notes.

1. Original Capital Approval obtained from the Board of Directors on June 24, 2021 .
2. Supplementary Capital Approval being requested.

Sources of Funding

Funding Sources	June 2021 Capital Approval (\$ millions)	Current Capital Approval (\$ millions)	Total (\$ millions)
Waterfront Toronto Land/Other Revenues ¹	\$14.2	-	\$14.2
City of Toronto Delivery Agreement ²	-	\$20.9	\$20.9
Total Sources of Funds	\$14.2	\$ 20.9	\$ 35.1

Notes.

1. Planned funding source is from Quayside land-related revenues per Board capital approval, to be supplemented with City of Toronto Delivery Agreement funding once executed.
2. Delivery Agreement with the City of Toronto is presently underway. Anticipated execution is on/before end-December 2023.

Recommendation

- Management recommends that the Finance Audit and Risk Management Committee recommend to the Board of Directors for approval of the following:
 - an additional Capital Investment for Quayside Infrastructure and Public Realm Design of \$20.9 million for a total cost of design of \$35.1 million.
 - proceed with Capital Investment using Waterfront Toronto secured funding (Quayside land/other revenues) on an interim basis until the Delivery Agreement with the City of Toronto is executed (if required).

ON MOTION duly made, seconded, and carried, be it **RESOLVED** that the Finance, Audit and Risk Management Committee recommends for approval by the Board of Directors an additional capital expenditure of \$20.9 million for a total capital expenditure of \$35.1 million to complete the 100% design of the Quayside Infrastructure and Public Realm Project, and proceeding with capital expenditure using Waterfront Toronto secured funding (Quayside land/other revenues) on an interim basis until the Delivery Agreement with the City of Toronto is executed (if required).

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Purpose	For Approval
Areas of note/ Key issues	<p>The Broadview Eastern Flood Protection (BEFP) Project, approved by the Board of Directors (June 23, 2022), reached the 60% level of design. The City, Province and Mx continue to discuss the final cost sharing and private landowner access requirements for the BEFP Project, as part of the overall East Harbour Transit-Oriented Communities Program. As such, full BEFP project advancement remains unfunded.</p> <p>To continue advancing BEFP, City is contemplating a supplementary release of funding for WT to:</p> <ul style="list-style-type: none"> a) advance BEFP design to the Issue For Tender (IFT) stage; and b) award the Old Eastern Avenue Bridge Demolition Project contract. <p>City funding and approvals for these next focused works, may be provided to WT in advance of the full BEFP project implementation, in full or part.</p>
Recommendation	<p>Management recommends:</p> <p>THAT the Finance Audit and Risk Management Committee recommends, for approval by the Board of Directors, an additional capital expenditure of \$8.715 Million (for a total of \$16.3M) to advance the Broadview Eastern Flood Protection Project to an Issue For Tender level of design and to award the Old Eastern Avenue Bridge Demolition Contract, subject to City of Toronto approvals on the scope of work and upon execution of a funding agreement with the City of Toronto.</p> <p>Management will seek further Finance Audit and Risk Management Committee capital approval(s) for the Broadview Eastern Flood Protection Project Construction Works in 2024, subject to Toronto City Council funding approval.</p>
Proposed Motion and Resolution	<p>WHEREAS the Corporation is the Project Delivery Agent for the Broadview Eastern Flood Protection Project Design and Construction (the “Project”) on behalf of City of Toronto (the “City”);</p> <p>WHEREAS the Project was approved as part of the 2022/23-2026/27 Rolling Five-Year Strategic Plan;</p> <p>ON MOTION duly made, seconded, and carried, be it RESOLVED that the Finance, Audit and Risk Management Committee recommends for approval by the Board of Directors supplementary capital expenditures of \$8.715 Million (for a total of \$16.3M) to advance the Broadview Eastern Flood Protection Project to an Issued For Tender level of design and to award the Old Eastern Avenue Bridge Demolition Contract, subject to City of Toronto approvals on the scope of work and upon execution of a funding agreement with the City of Toronto.</p>

Broadview Eastern Flood Protection Project

Request for Supplementary Capital Approval

Finance Audit and Risk Management Committee
November 23, 2023

Objectives

1. To provide an update on the current status of the Broadview Eastern Flood Protection Project
2. To review additional work required subsequent to original Board of Directors Capital Approval that was granted on June 23, 2022
3. To describe changes (if any) to the original project scope, budget, schedule and funding
4. To obtain FARM Committee recommendation for the Board of Directors approval to invest an additional \$8.715 million (for a total of \$16.3 million) with costs as follows:
 - \$7.9M to complete the BEFP design to Issue for Tender (IFT) and award the Old Eastern Avenue Bridge Demolition contract, and
 - An additional \$815K that was approved in the 60% design purchase order in 2022 above the original June 23, 2022 Board of Directors approvals of \$7.585M.

Objectives

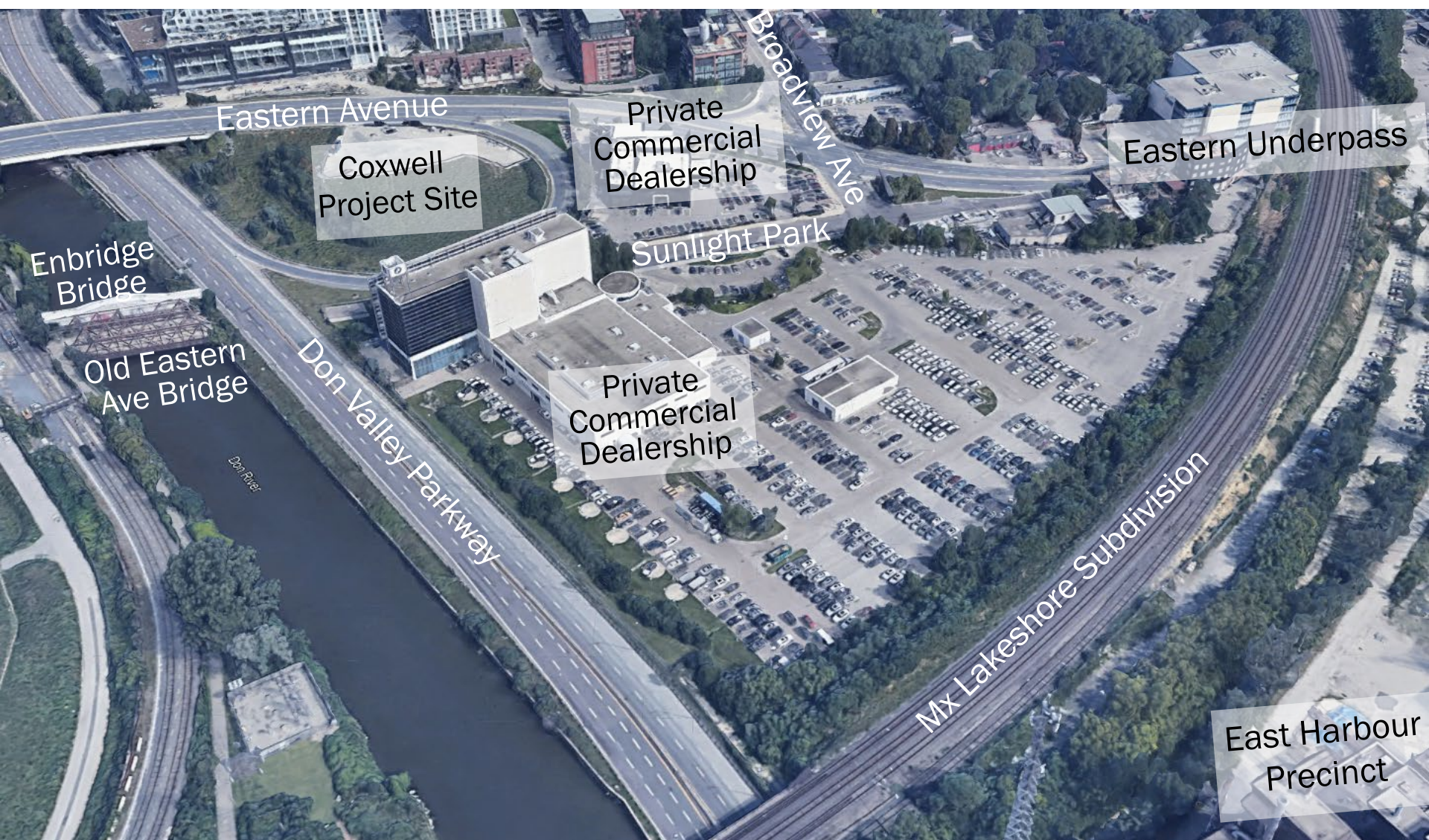
Subject to City of Toronto Approvals of Scope (in full or part) and Confirmation of Phase 2 Interim funding, staff will proceed with:

- a) Advancement of Morrison Hershfield's 60% Design to IFT, including PCL value engineering and other Construction Management services.
- b) Award the Old Eastern Avenue Bridge Demolition Contract to :
 - Finalize demolition plans and obtain permit authorizations; and
 - Undertake the Bridge Demolition works.

Background

- **This project is included in the Board approved Rolling Five Year Strategic Plan.**
- **Initial Board of Directors Capital Approval obtained on June 23, 2022 - \$7.585M**
- **Currently seeking FARM Committee recommendation for Board approval for an additional \$8.715M Supplementary Capital Approval (for a total of \$16.3M)**
- **Subsequent FARM Committee recommendation and Board of Directors approvals will be sought for construction of the BEFP, upon confirmation of Total Project Budget and City direction to proceed with work.**

Background – Existing Configuration



Background

Goal of Broadview Eastern Flood Protection:

- BEFP will permanently remove risk of flooding from Don River to 8 hectares (20 acres) of urban land east of the Don River, south of Eastern Avenue and north of the Metrolinx Lakeshore East rail embankment.

Benefits of Broadview Eastern Flood Protection:

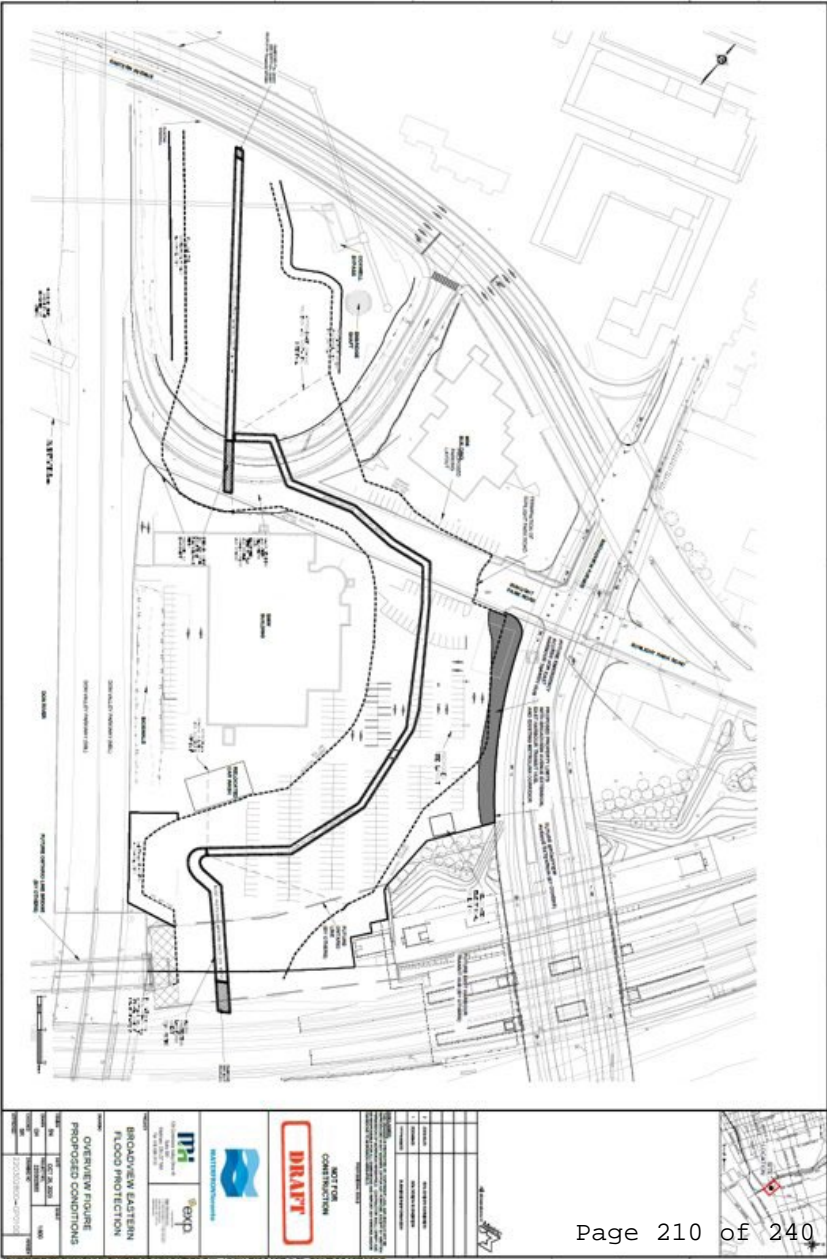
- BEFP will eliminate flood spill through the Eastern Avenue underpass, thus dovetailing with Waterfront Toronto's current efforts on the Port Lands Flood Protection Project
- BEFP is also critical to prevent new flooding through the proposed Broadview Extension through the railway embankment. As such, it is a critical enabling project for:
 - Mx East Harbour Transit Hub Station and Ontario Line;
 - Cadillac Fairview East Harbour TOC project and broader precinct; and
 - Other efforts currently underway in the broader Port Lands such as the McCleary District.



Background

Overall Project Components:

- Remove, reinforce or relocate utilities/servicing along Sunlight Park Road, including oil pipelines along Don Valley Parkway and stormwater management systems;
- Construct southern Flood Protection Landform (FPL) to integrate with Metrolinx Ontario Line and East Harbour Transit Hub Projects;
- Construct northern FPL, replacing Eastern Avenue on-ramp with modified street system and infrastructure;
- Regrade land east of existing commercial dealership, connecting northern and southern FPLs; and
- Demolish Old Eastern Avenue Bridge to lower water levels in vicinity of the existing West Don Lands FPL & future Broadview Eastern flood protection.



Preliminary Project Risks for 60% Design of BEFP

Risk Description	Potential Impact	Mitigation Strategy
<p>Direct access by BEFP Project Team to private landowner/tenants is not permitted as Mx is the lead for all private landowner communications.</p> <p>This lack of Project Team direct access represents a significant risk to the Project in terms of potential delays and access restrictions to the privately-owned property during construction</p>	<p>This is a major risk to the BEFP Project schedule AND creates direct impacts on other Project Delivery schedules in the area, such as Ontario Line Embankment construction, CF East Harbour Precinct occupancies, and opening of Mx East Harbour Station.</p>	<p>Work with City and Mx to enable BEFP Project Team direct access to Talisker and BMW early and as required throughout the planning and implementation of BEFP to efficiently, and without 3rd Party filters, address landowner concerns and needs.</p>
<p>BEFP Project is unfunded beyond 60% design.</p>	<p>Absence of funding will prevent work from proceeding.</p>	<p>WT is providing updated detailed information to the City as part of the 30% and 60% design for BEFP.</p> <p>City with working with Province and Mx to define the other private landowner access costs required for all Projects in the area, to develop the appropriate total Project cost and cost sharing formula (for Phase 3).</p> <p>City is exploring opportunities to provide funding and approvals for this Phase 2 – Interim Funding to continue advancing the BEFP design to IFT and to retain the sub-contractor for Old Eastern Ave Bridge Demolition.</p>

- **Pre-Design Data Collection:**
 - Completed
- **Phase 1 – 0% to 60% Design:**
 - Retained Morrison Hershfield as Design Engineer and PCL as Construction Manager
 - 60% Drawings, and soils management, groundwater and environmental reports submitted October 2023
 - 60% basis of design, budget, schedule and risk management plan to be completed in November/December 2023
 - 30% Design of Old Eastern Avenue Bridge Demolition completed
 - Bids received for sub-contractor to lead Old Eastern Avenue Bridge demolition (October 31, 2023)
 - Confirmation from Province that BEFP to precede with Environmental Assessment approved preferred flood protection alternative and approach to integrate with MetroLinx Ontario Line designs.

- Work to proceed in 2024:
 - **Complete BEFP Designs from 60% to IFT Level, including:**
 - All drawings, basis of design report, budget, schedule, risk management plan, and supplementary reports including but not exclusive of the hydraulic models and reports, stormwater management model design and reports, traffic management plans, soils and groundwater management plans, etc.
 - Construction management support, including
 - value engineering, costing and scheduling,
 - pre-construction services, including tender development and management,
 - oversight of project permit delivery and compliance.
 - **Award contract for the Old Eastern Avenue Bridge Demolition, including:**
 - Finalizing design development from 30% to Issued For Construction for the bridge demolition;
 - Finalization and acquisition of all required project permits;
 - Undertaking the Bridge Demolition; and
 - Sub-Project close-out.

Supplementary Capital Approval Request

Supplementary Capital Approval is required in order to further advance the Broadview Eastern Flood Protection Project Works

- Waterfront Toronto's policies and procedures provide for Capital Approvals to be obtained:
 1. After design has reached 60% completion
 2. When planned investments exceed \$5 Million
- Capital Approval is required for the next Phase of project delivery which is estimated at \$16.3 Million

Initial (Phase 1) Capital Approval

Category	Capital Approval	Cost to Date
Approved Pre-Design Soft Costs	\$ 1.885M	\$1.745
Approved Phase 1 – 0% to 60% Design and Preconstruction Services	\$5.7M	\$4.192
Total Initial Capital Approval	\$7.585M	\$5.937

Supplementary Capital Approval Request

Phase 2 Project Elements	Anticipated Project Cost for Phase 2
WT PM Fees	\$300,000
60% Design to Issued For Tender	\$3,410,000
Old Eastern Avenue Bridge Demolition	\$2,044,000
Sub-Total	\$5,754,000
Contingency (35%)	\$2,013,900
Non-recoverable Harmonized Sales Tax (1.76%)	\$136,715
Total Estimated Capital Cost	\$7,904,615

Capital Approval Summary

Source	Funding Source	Amount (\$ Millions)
Original Capital Approval (BoD 06/23/22)	City of Toronto	\$7.585M
Supplementary Capital Approval Request (FARM 11/23/23)	City of Toronto	\$8.715M
Total Capital Approval Request		\$ 16.300M

Sources of Funding

Source	Funding Source	Funding (\$ Millions)
Pre-design Works	City of Toronto	\$1.885M
60% Design Works	City of Toronto	\$5.700M
Current FARM Capital Approval Request (pending City of Toronto scope and funding approval)	City of Toronto	\$ 8.715M
Total Funds		\$ 16.300M

Recommendation

Management recommends that the Finance Audit and Risk Management Committee recommends, for approval by the Board of Directors, an additional capital expenditure of \$8.715 Million (for a total of \$16.3M) to advance the Broadview Eastern Flood Protection Project to an Issue For Tender level of design and to award the Old Eastern Avenue Bridge Demolition Contract, subject to City of Toronto approvals on the scope of work and upon execution of a funding agreement with the City of Toronto.

Management will seek further Finance Audit and Risk Management Committee capital approval(s) for the Broadview Eastern Flood Protection Project Construction Works in 2024, subject to Toronto City Council funding approval.

ON MOTION duly made, seconded, and carried, be it **RESOLVED** that the Finance, Audit and Risk Management Committee recommends for approval by the Board of Directors supplementary capital expenditures of \$8.715 Million (for a total of \$16.3M) to advance the Broadview Eastern Flood Protection Project to an Issued For Tender level of design and to award the Old Eastern Avenue Bridge Demolition Contract, subject to City of Toronto approvals on the scope of work and upon execution of a funding agreement with the City of Toronto.

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Purpose	For Committee Information.
Areas of note/ Key issues	<p>This internal audit covers three items:</p> <ol style="list-style-type: none"> 1. Internal Audit Plan Status Update (five of seven audits completed, two remaining) 2. Accessibility Audit Planning Memo 3. Cyber Security Audit Results – completed October 2023, refer Item 12 in Closed session. <p>1. Internal Audit Plan - Status Update</p> <ul style="list-style-type: none"> • MNP LLP (MNP) completed the cyber security audit, which is the fifth of seven audits included in WT's four-year internal audit plan (2020/21 to 2023/24). MNP initially assessed WT's cyber security practices in 2018, which WT has since remediated through a follow-up audit in 2020. • Refer to attached Appendix on the status of the audits per FARM Committee approved four-year internal audit plan (2020/21 to 2023/24). <p>2. Accessibility Audit – Planning Memo</p> <ul style="list-style-type: none"> • Audit objective is to assess WT's compliance with the <i>Accessibility for Ontarians with Disabilities Act, 2005</i> (AODA) and the standards defined in the <i>Integrated Accessibility Standards Regulation</i> (IASR) in order to provide an overview of gaps in compliance, the associated risks with non-compliance, and recommendations for improvement. • Accessibility audit is presently underway. Refer to attached Planning Memo.
Resolution or Next Steps	The next internal audit update will be at the February 2024 FARM Committee meeting, during which MNP is anticipated to report the results of the Accessibility Audit.

Waterfront Toronto

Internal Audit Plan Status Update

For FARM Committee – November 23, 2023



Wherever business takes you

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Four-Year Internal Audit Plan 2020/21 to 2023/24

(FARM-Approved February 26, 2020, Amended in May 26, 2022)



Latest updates in blue

A. Underway/Upcoming (2 of 7 audits, 29%)

Fiscal Year	Audit Name and Summary Audit Scope	Status
2023/24 – Q2	Accessibility – Assess WT’s compliance with the Accessibility for Ontarians with Disabilities Act (“AODA”) and the standards defined in the Integrated Accessibility Standards Regulation (“IASR”) to determine any gaps in compliance, the associated risks with non-compliance, and recommendations for improvement prior to the AODA compliance deadline of January 1, 2025.	Underway (Target FARM Committee presentation in Feb. 2024)
TBD	ERP Robotic Process Automation – A review to identify and assess opportunities to enhance the use of RPA across the organization, with a specific focus on the areas of Finance and Accounting and PMO.	Not Yet Started *

*Note: Upon discussion with WT management, it was determined that the next audit to be completed would be Cyber Security (recently completed in October 2023) in order to lessen any ERP audit fatigue felt by staff due to completion of two other ERP-related reviews in 2022/23 (i.e., ERP System Implementation Lessons Learned Review and ERP Procurement Process).

Four-Year Internal Audit Plan 2020/21 to 2023/24

(FARM-Approved February 26, 2020, Amended in May 26, 2022)



B. Completed (5 of 7 audits, 71%)

Latest updates in blue

Fiscal Year	Audit Name and Summary Audit Scope	Completion Date	# of Recommendations	Fully Implemented	Being Implemented
2023/24 – Q1	Cyber Security Audit – A targeted review of WT’s cybersecurity program, policies and standards, outstanding audit recommendation implementation, ability to respond to cyber threats, vulnerabilities, risk reporting, risk awareness and culture. This audit will also consider components of privacy and records management.	<i>Oct. 2023</i> <i>(Presentation to FARM Committee in Nov. 2023)</i>	7	-	7
2022/23 – Q3	ERP Procurement Process – A review of current procurement practices focusing on approval workflows and thresholds in order to identify possible efficiencies and opportunities to streamline procurement processes.	May 2023	N/A ¹	N/A	N/A
2022/23 – Q2	ERP System Implementation Lessons Learned Review – In pursuit of continuous improvement, this lessons learned review will assess the recent ERP system implementation to better understand and determine: - what lessons can be learned to inform future projects; - implementation strengths; - implementation gaps; - root cause factors for implementation delays and additional expenditures; and - opportunities for improvement.	Nov. 2022	N/A ¹	N/A	N/A
2020/21 – Q4	Resource and Succession Planning – Evaluation of WT’s resource capacity and succession planning frameworks and processes.	Feb. 2022	9	8	1
2020/21 – Q2	Performance Measurement Framework – An assessment of WT’s performance measurement framework and metrics.	Sept. 2020	5	5	-
		Total	21	13	8
		%	100%	62%	38%

Note 1. Completed reviews on ERP System Implementation Lessons Learned and ERP Procurement Process were continuous improvement focused (i.e., not audit-focused), and as such provided suggested improvement observations and opportunities.

Questions?
Thank You



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Accessibility Compliance Audit

Planning Memorandum

October 18, 2023

Veronica Bila

Partner, Enterprise Risk Services



416.515.3843



Veronica.Bila@mnp.ca

Suite 1900, 1 Adelaide Street East, Toronto, ON M5C 2V9

Background

Waterfront Toronto ("WT") is committed to the principles outlined in the *Accessibility for Ontarians with Disabilities Act, 2005* ("AODA") to meet the needs of people with disabilities, in a timely manner, through the implementation of the requirements of the AODA. As per the AODA, all businesses and public spaces must meet AODA compliance requirements by January 1, 2025, including its standards as defined in the *Integrated Accessibility Standards Regulation* ("IASR"). This includes standards in the following areas:

- General Accessibility Requirements
- Customer Service
- Information and Communication
- Employment
- Transportation
- Design of Public Spaces

These standards have come into force in a phased manner over the past decade, and WT's Accessibility Compliance Report is due on December 31, 2023 to the Province, which is to confirm that WT has met its accessibility requirements under the AODA and IASR.

In pursuit of continuous improvement, as well as to incorporate leading practices where applicable, WT has identified the opportunity to confirm compliance and to understand the key gaps and issues related to their implementation of the AODA so that these can be reviewed and remediated prior to submitting their annual Accessibility Compliance Report at the end of the year. As such, an accessibility audit has been included within WT's approved Internal Audit Plan for the current fiscal year 2023/24.

Objective

The objective of this audit is to assess WT's compliance with the AODA and the standards defined in the IASR in order to provide an overview of gaps in compliance, the associated risks with non-compliance, and recommendations for improvement.

Scope

The scope of this audit will focus on assessing compliance to the following applicable areas of the AODA and IASR:

Section / Standard	Sub-Section – Subject Matter Area	Section Number
General	Establishment of accessibility policies	3
	Accessibility plans	4
	Procuring or acquiring goods, services or facilities	5
	Training	7

Section / Standard	Sub-Section – Subject Matter Area	Section Number
Information and Communications	Feedback	11
	Accessible formats and communication supports	12
	Emergency procedure, plans or public safety information	13
	Accessible websites and web content ¹	14
Employment	Recruitment, general	22
	Recruitment, assessment or selection process	23
	Notice to successful applicants	24
	Informing employees of supports	25
	Accessible formats and communication supports for employees	26
	Workplace emergency response information	27
	Documented individual accommodation plans	28
	Return to work process	29
	Performance management	30
	Career development and advancement	31
	Redeployment	32
Design of Public Spaces²	Recreation trails	80.6 – 80.15
	Outdoor public use eating areas	80.16, 80.17
	Outdoor play spaces	80.18 – 80.20
	Exterior paths of travel	80.21 – 80.31
	Accessible parking	80.33 – 80.39

¹ A sample of 10 websites and 10 documents will be selected and tested for compliance.

² The review of the Design of Public Spaces standard will be conducted in two parts. For the first part, MNP will perform interviews with WT personnel to assess compliance to the AODA and IASR. Upon completion of interviews and based on the gaps or potential gaps identified and discussed with management, a sample of projects may be selected to conduct site visits/assessments for further detailed sample testing.

Section / Standard	Sub-Section – Subject Matter Area	Section Number
	Obtaining services	80.40 – 80.43
	Maintenance	80.44
Customer Service	Establishment of policies	80.46
	Use of service animals and support persons	80.47
	Notice of temporary disruptions	80.48
	Training for staff	80.49
	Feedback process required	80.50
	Format of documents	80.51

The following standards/section areas have been determined to be out-of-scope for this audit:

- Self-service kiosks
- Educational, training and library material
- Transportation

Risks

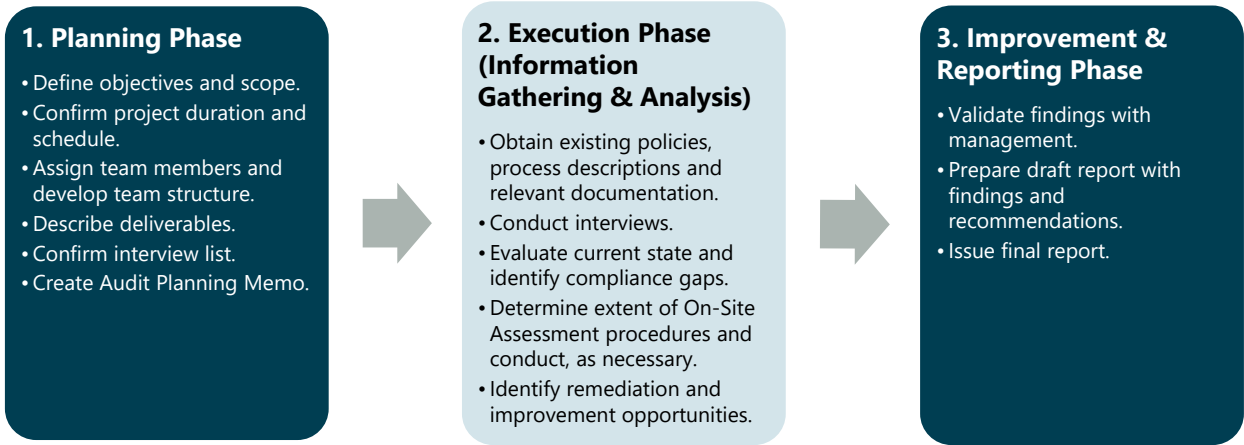
Given the stated objective, the following sample of inherent risks³ have been identified that may be considered typical in the scope of an audit of this nature:

- Lack of leadership, ownership and accountability for AODA requirements;
- AODA requirements, standards and legislation are not understood, including WT's specific responsibilities to implement the AODA and the IASR;
- Responsibilities under the AODA and IASR related to third-party vendors, suppliers and contractors performing services, and the expectation to comply with these requirements, are not properly communicated to third-party vendors, supplies and contractors; and,
- Legislated AODA requirements are not met.

³ The risk derived from the environment without the mitigating effects of internal controls – Institute of Internal Auditors.

Approach

In accordance with MNP’s internal audit methodology, the high-level work plan for this audit includes the following phases:



Assumptions

To develop a project work plan and determine resource needs, MNP will:

- obtain records, documentation, samples, and other information we request for the audit in a timely manner while maintaining the confidentiality of privileged information contained within;
- conduct interviews/discussions with management and staff, who will be available to participate in interviews and respond to inquiries on a timely basis; and
- not be responsible for any delay or other consequences resulting from the WT’s failure to perform any of its obligations.

Timeline and Deliverables

Key activities, deliverables and the general timeline are outlined in the table below:

Phase	Activity / Deliverable	Dates*
Planning	Kick-off meeting	October 10 to October 20, 2023
	Planning Memo preparation and submission	
	Finalize scope and approve Planning Memo	
Execution	Interviews with key WT staff	October 23 to November 10, 2023
	Review of supporting documentation (i.e., policies, procedures, processes, etc.) including testing of websites and web content	
	Testing of projects, if necessary (to be determined)	
	Analysis and gap assessment	
Reporting	Validation of findings	November 13 to December 20, 2023
	Draft report submitted	
	Meeting to discuss draft report	
	Issuance of final report, with management responses	(Findings will be shared with Management once known for remediation prior to Dec 31, 2023)
	FARM Committee meeting	2024**

*Note: The above timeline may be revised due to unanticipated events and the availability of key stakeholders. MNP will keep WT Management apprised of any delays as they become known and will revise the timeline accordingly.

**Note: The report will be presented at the FARM Committee meeting to be scheduled in early 2024.

Budget

The budget for this audit has been estimated to be \$38,400⁴ (exclusive of HST), including presentation to the FARM Committee. The hours for each team member are estimated below.

It is important to note that these hours are solely based on the assumptions, tasks and deliverables outlined in the above sections, using the rates as per our Internal Audit Services Contract. Should any of these items change, the estimated hours (and possibly budget) will need to be adjusted to reflect the change.

Team Member	Engagement Role	Hours
Veronica Bila	Engagement Partner	13
Geoff Rodrigues	Quality Assurance Partner	2
Deepak Jaswal	Manager	9
Reena Patel	Accessibility Specialist	61
Robert Rawlins	Website Accessibility Specialist	19
Tejas Chitkara	Auditor	76
	TOTAL	180

Subject Matter Expert Bios

Reena Patel – Accessibility Specialist

Reena is a Manager with MNP's Enterprise Risk Services Group and has considerable knowledge and understanding of accessibility requirements, with specific and detailed knowledge of the AODA and IASR. Reena has cross-industry expertise includes working with boards, agencies, ministries, municipalities, schools, financial institutions, energy, private companies, and first nations communities. Reena has conducted AODA compliance audits, has developed accessibility guidelines and has provided training on accessible document creation and remediation. For example, Reena acted as a supervisor and senior auditor on an engagement to complete 900 Compliance Audits for the Accessibility Directorate of Ontario and an engagement with the Ministry of Community and Social Services which included an accessibility review of over 5,000 program and client-facing documents.

⁴ This budget does not include an estimate of the hours and level of effort that will be required for site visits/assessments and detailed testing of a sample of projects that may be selected as the second part of the review for the Design of Public Spaces standard. If site visits/assessments and detailed testing of a sample of projects is determined, with management, to be completed, MNP and WT will work together to determine an appropriate budget for this work.

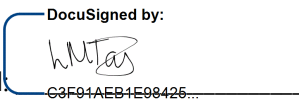
Robert Rawlins – Web Accessibility Specialist

Robert Rawlins is a Senior Consultant. Drawing on more than 10 years of experience, Robert helps clients draft quality assurance policies and procedures, evaluate adequacy of quality assurance and accessibility standards, and develop test cases and test plans to ensure quality standards are met. Robert's experience includes performing accessibility consulting and testing following WCAG 2.1 Level A and Level AA standards. This includes expertise in testing using tools such as NVDA and JAWS screen readers, as well as the WAVE web accessibility evaluation tool. His cross-industry expertise includes municipal and provincial public sector entities, telecommunications, wireless technologies, search engines, music streaming services, video game consoles, and online travel research. Robert has strong User Experience (UX) and Accessibility Compliance knowledge and skills that he applies to his work.

Client Acceptance

Please confirm your acceptance to proceed with this planning memorandum by signing in the space provided and returning a copy to the attention of MNP.

I hereby authorize MNP to proceed with and provide the services as described herein,

Signed  DocuSigned by:
G3F04AEB4E08425...

Date: 10/24/2023 | 9:29 PM EDT

Name: Lisa Taylor

Title: Chief Financial Officer



Our Values

- We exemplify integrity in all we do
- We are one firm/one pot/one team
- We are entrepreneurial
- Profit optimization
 - We run our business like a business
 - Balanced lifestyle
 - 'Fun' is important
- We insist on quality client service
- We perform to high quality standards
- We operate on guidelines
- We conduct ourselves with humility and respect
- We value our professions and our communities
- We value diversity



Closed Session

Open Session

Item 9 Draft Minutes of the Closed Session – September 21, 2023 FARM Committee Meeting

ON MOTION duly made by [●] and seconded by [●] and carried, be it **RESOLVED** that the Minutes of the Closed Session of the Finance, Audit and Risk Management Committee held on September 21, 2023 be approved as tabled.

Item 10 Annual Business Plan 2024/25

ON MOTION duly made by [●] and seconded by [●] and carried, be it **RESOLVED** that the FARM Committee recommend that the Board of Directors approve the annual business plan for the corporation, substantially as presented at the meeting.

Upcoming Board/Committee Meeting Schedule December 2023 – December 2024

S/N	Date (2023)	Board/Committee	Key Agenda Item(s) include:
1.	Thursday, December 7	Board	<ul style="list-style-type: none"> Report of the HRGSR, IREC, and FARM committees Approval of 2023/24 Corporate Plan

S/N	Date (2024)	Board/Committee	Key Agenda Item(s) include:
1.	Thursday, February 22	FARM	<ul style="list-style-type: none"> Per FARM Committee workplan
2.	Thursday, March 7	HRGSR	<ul style="list-style-type: none"> Per HRGSR Workplan
3.	Thursday, March 14	IREC	<ul style="list-style-type: none"> Per IREC Workplan
4.	Monday, March 25	Board	<ul style="list-style-type: none"> Reports of the IREC, FARM and HRGSR committees
5.	Thursday, May 23	IREC	<ul style="list-style-type: none"> Per IREC Workplan
6.	Thursday, May 30	FARM	<ul style="list-style-type: none"> Per FARM Workplan
7.	Monday, June 10	HRGSR	<ul style="list-style-type: none"> Per HRGSR Workplan
8.	Monday, June 24	Board	<ul style="list-style-type: none"> Reports of the HRGSR, IREC, and FARM committees Approve 2023/24 Annual Report Approve 2023/24 audited financial statements Year-end Performance Assessment for the CEO for 2023/24 and approval of compensation for 2024/25
9.	Thursday, September 12	HRGSR	<ul style="list-style-type: none"> Per HRGSR Workplan
10.	Thursday, September 19	FARM	<ul style="list-style-type: none"> Per FARM Workplan
11.	Thursday, September 26	IREC	<ul style="list-style-type: none"> Per IREC Workplan
12.	Thursday, October 17	Board	<ul style="list-style-type: none"> Report of the HRGSR, IREC, and FARM committees 2025 Board and Committee Meeting Calendar Interim Performance Assessment for the CEO for 2024/25
13.	Thursday, November 7	HRGSR	<ul style="list-style-type: none"> Per HRGSR Work plan
14.	Thursday, November 14	IREC	<ul style="list-style-type: none"> Per IREC Workplan
15.	Thursday, November 21	FARM	<ul style="list-style-type: none"> Per FARM Work plan
16.	Thursday, December 5	Board	<ul style="list-style-type: none"> Report of the HRGSR, IREC, and FARM committees Approval of 2024/25 Corporate Plan